



**BANCA
GENERALI**

Annual integrated report

2025

Annual Integrated Report at 31 December 2025

BOARD OF DIRECTORS
4 MARCH 2026

This document is in addition to the official version pursuant to Commission Delegated Regulation (EU) 2020/815 on the European Single Electronic Format (ESEF Regulation) published on the website: www.bancagenerali.com/en/investors/reports-and-relations.

This Annual Integrated Report has been translated from that issued in Italy, from the Italian into the English language, solely for the convenience of international readers. The Italian version remains the definitive version.



Banca Generali S.p.A.

Administrative and control bodies

Board of Directors - 4 March 2026

Board of Directors	Antonio Cangeri	Chairman
	Gian Maria Mossa	Chief Executive Officer
	Azzurra Caltagirone	Director
	Lorenzo Caprio	Director
	Paolo Ciocca	Director
	Roberta Cocco	Director
	Alfredo Maria De Falco	Director
	Anna Simioni	Director
	Cristina Zunino	Director
Board of Statutory Auditors	Natale Freddi	Chairman
	Paola Carrara	
	Giovanni Maria Garegnani	
General Manager	Gian Maria Mossa	
Manager in Charge of Preparing the Company's Financial Reports	Tommaso Di Russo	

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Letter to Stakeholders



Antonio Cangeri
Chairman

Dear Stakeholders,

The year 2025 unfolded in a **highly complex international context** marked by the inauguration of the new US Administration, conflicts in the Middle East and the war between Russia and Ukraine. After an initial phase of pronounced financial market volatility, mainly linked to trade tensions, the gradual easing of uncertainties about the economy's resilience led to a stock market rebound in both Europe and the United States.

However, the macroeconomic scenario was characterised by divergent monetary policies across major regions, which led to a progressive rebalancing in bond yield trends, and to significant fluctuations in currency rates.

Against this backdrop, **Banca Generali continued on its growth path**, confirming its ongoing business solidity **even in the extraordinary context** of the spring and summer months, when it became the object of a Public Voluntary Exchange Offer, which then lapsed at the end of August. Despite transaction uncertainties, the **Bank held firmly to its strategic path**, leveraging its distinctive business model and the strong trust placed in it by its stakeholders.

Looking at the numbers, the Bank ended the year with **very strong financial results**, testifying to the effectiveness of its range of products and — first and foremost — to the quality of its Financial Advisors, as well as of the service it offers to its customers. **Total client assets managed and administered** rose further, nearing **114 billion euros**, whereas **net inflows** stood at high levels, supported by the gradual improvement of the product mix in favour of managed and insurance solutions. In terms of profitability as well, the Group achieved all-time high results, recording its **highest ever net profit of 446 million euros**, driven by growth in the recurring component, and thus resulting increasingly sustainable over time.

Capital solidity proved once again to be one of the Group's strengths, with capital ratios well above regulatory requirements. In light of these results and in line with its traditional focus on shareholder remuneration, the Board of Directors proposed to distribute a **339 million euro cumulative dividend**, confirming the willingness to deliver significant remuneration to its shareholders, without compromising the ability to sustain future growth.

2025 was a year of strategic consolidation following the end of the 2022-2024 Plan, which had laid the foundations of a new development phase oriented to sustainable and inclusive growth. In this context, the acquisition of the historic independent Italian investment bank **Intermonte** — which was completed swiftly at the beginning of the year with full shareholder support — **strengthened Banca Generali Group's value proposition towards entrepreneur customers and SMEs**.

In the fourth quarter, a **partnership** was launched with **Alleanza Assicurazioni**, aimed at developing an Insurbanking model and expanding the range of products for the company's affluent clients, **laying the foundations for additional significant growth opportunities**. In parallel, the Company continued to **invest in innovation and digital transformation**, which have now become a part of the corporate culture and its people, strengthening its positioning as a **data-driven bank** and fostering an increasingly advanced **AI** use to support advisory, operating efficiency and service quality.

Sustainability has always been a key pillar of Banca Generali's strategy. The Annual Integrated Report 2025 includes in fact the Sustainability Statement prepared in ac-

cordance with the **Corporate Sustainability Reporting Directive (CSRD)** and the **ESRS**, confirming the structured and rigorous approach adopted by the Group. The double materiality analysis confirmed again the materiality of topics such as climate change mitigation, the enhancement of Human Capital, cybersecurity, customer protection and governance quality.

In the year, the **Climate Transition Plan**, which sets clear and measurable GHG reduction objectives for both Operating Activities and the investment portfolio, was further implemented, continuing on the path towards achieving the **net zero target by 2040**. At the same time, the ESG factors were increasingly embedded into the investment processes, in the solutions offered to customers and in the incentive schemes, confirming the commitment to combining financial performance with environmental and social responsibility.

As regards **governance**, the Bank further strengthened its control, risk management and compliance measures, also in light of the new European regulations on digital operational resilience and sustainability. The Board of Directors and its Board Committees play an active role in defining and monitoring the strategy, ensuring responsible, transparent management geared towards the Group's sustainable success. Among the many actions, worth mentioning is the alignment with the EU DORA, completed by strengthening operational resilience, ICT and cyber risk management, and business continuity and crisis management processes.

In addition, the year 2025 marked the evolution of the **People Strategy**, with strong investments in training, skill development, inclusion and organisational wellbeing. As a further proof of this commitment, Banca Generali is very proud of the results of the latest **2025 Pulse Survey**, which recorded a very high response rate of 96% and an engagement score of 87%, demonstrating a **strong sense of belonging and identification with the Group**.

In detail, in 2025 the Banking Group strengthened its focus on **young people, talent and generational transition** with regard to its **1,313 employees**. Recruitment policies strongly supported the generational turnover: **72% of new hires were under 35**, confirming the Bank's attractiveness for new generations and the desire to rejuvenate key skills. In parallel, investments in professional growth translated into **over 75,000 hours of employee training**, approximately **56 training hours per employee** on average, with a focus on digital skills, artificial intelligence, sustainability and managerial development. In 2025, the UNI/PdR 125:2022 Gender Equality Certification was renewed, reflecting Banca Generali's commitment to promoting a culture of inclusion aimed at ensuring equal opportunities and a diversity-oriented governance.

The number of **professionals** within the Network reached **2,405**, with an annual increase of about +2% and the recruitment of **105 qualified Financial Advisors**, with a view to strengthening the Network's quality. As regards training, **over 163,000 training hours were provided to the BG Network**, with **70 training hours per Financial Advisor** on average and a focus on advanced advisory, ESG expertise and the use of digital tools. Great attention was paid to developing the **teamwork model**, which to date has involved **over 400 Financial Advisors** managing over **20 billion euro total assets**. This approach encourages both collaboration between Financial Advisors with complementary skills and intergenerational collaboration between senior and junior profiles. It also consolidates customer relationships over time, supports the generational turnover and strengthens the BG Network in the long term.

The quality of the Bank's results and growth was widely acknowledged by the financial community, leading Banca Generali to receive numerous **awards and recognitions** in 2025 as well. Among these, worth of mention are those recognising the quality of service, the excellence of the BG Network and the private banking positioning in Italy. In the eyes of the authoritative and independent stakeholders, these recognitions are further confirmation of Banca Generali's distinctiveness and its appreciation by customers and the market, and further strengthen its excellent reputation.

To conclude, I would like to thank all the people who have contributed to writing a new chapter of success for our Bank. Despite the complexity and impact of external variables, not least that of extraordinary transactions, the work of each person has led to an outstanding result. Therefore, I would like to sincerely thank all **Financial Advisors, Employees, the Chief Executive Officer and Managers** for the commitment, professionalism and passion with which they have tackled these challenges, contributing to the Group's success every day. I would also like to extend my heartfelt thanks to my colleagues, the members of the **Board of Directors** and the **Board of Statutory Auditors**, for their constant support and contribution, also in terms of expertise and strategic vision, which constantly enrich debate, dialogue and the key decisions for the future of our Bank.

With confidence and responsibility, we are continuing along our path of sustainable growth, aiming to create long-term value for all our stakeholders.



DIRECTORS' REPORT ON OPERATIONS



Highlights

NET OPERATING INCOME 1,000.3 million euros	TOTAL CLIENT ASSETS 113.5 billion euros
NET OPERATING EXPENSES 361.2 million euros	NET INFLOWS 6,840 million euros
OPERATING RESULT 639.1 million euros	OWN FUNDS 1,033.7 million euros
PROFIT BEFORE TAXATION 572.8 million euros	TOTAL NET EQUITY 1,581.4 million euros
NET PROFIT 445.8 million euros	TOTAL CAPITAL RATIO 18.9%
GROSS GLOBAL ADDED VALUE DISTRIBUTED 1,425.5 million euros	TIER 1 CAPITAL 18.9%

EMPLOYEES

1,313

of whom 49% female employees

EMPLOYEE
TRAINING HOURS**75,308**FINANCIAL ADVISORS
(ASSORETI SCOPE)**2,405**

of whom 20% female FAs

of whom non-employee FAs

2,346

of whom 19% female non-employee FAs

NEW HIRES UNDER 35

72%

BG NETWORK TRAINING HOURS

163,564ABSOLUTE CO₂ EMISSIONS
(tCO₂eq - Scope 1: 302 and Scope 2: 130)**-31%**

vs 2019 baseline (market-based)

HYBRID WORK

100%of eligible employees
(excluding sales and front-office personnel)INVESTMENT
CARBON FOOTPRINT**-46%**

vs 2019 baseline

NUMBER OF CUSTOMERS

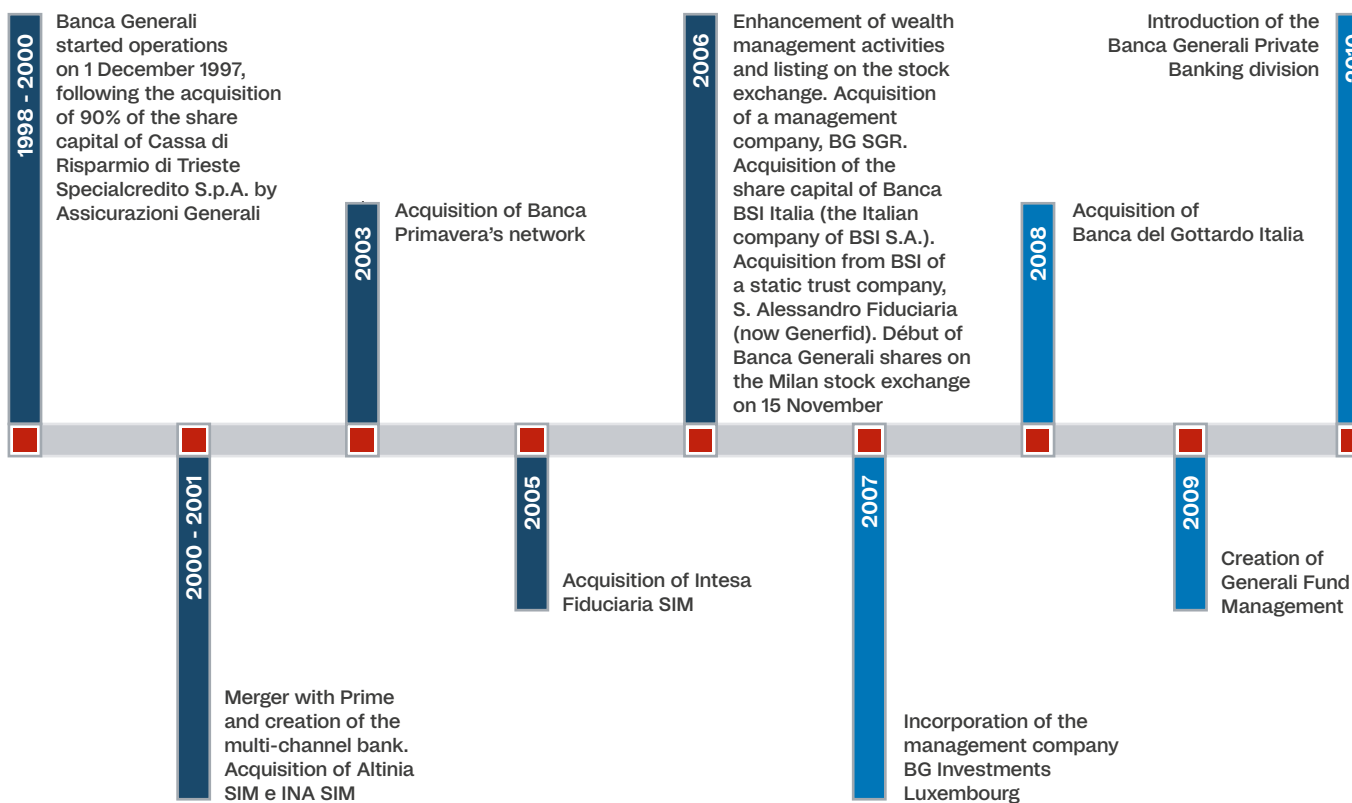
372,800

History

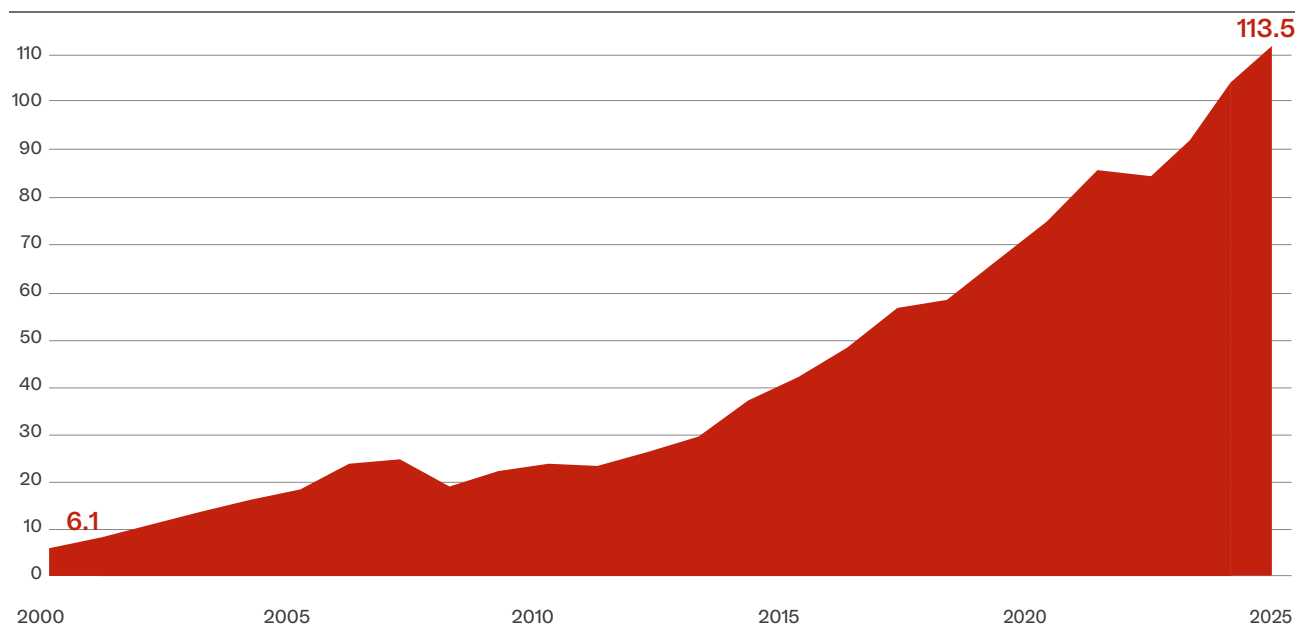
Banca Generali's history is a history of growth marked by a mix of skills stimulated by internal innovation and an ability to incorporate external realities.

Expansion and mergers of several companies and networks of Financial Advisors

Increase in business efficiency, focus on market high-end ...

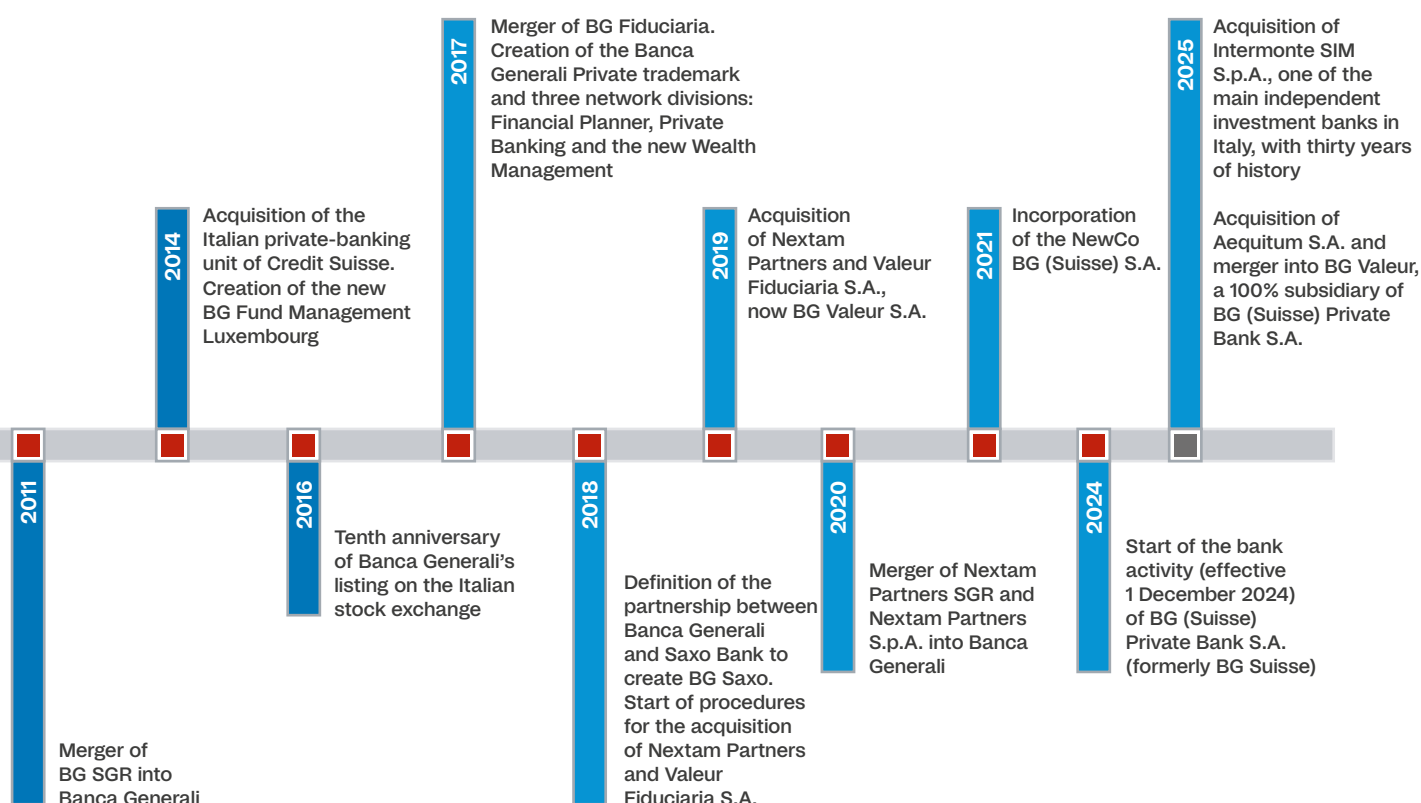


BANCA GENERALI - TOTAL ASSETS: 2000-2025 EVOLUTION (€ billion)



... and development of a wealth management hub

New structure thanks to targeted high-end acquisitions



Recognitions Received

- Best Financial Advisor Network for Customer Satisfaction (2016, 2017, 2018, 2019, 2020, 2021, 2023, 2024, 2025, 2026) - Deutsches Institut für Qualität und Finanzen
- Sustainability Champion (2024/2025, 2025/2026) – Deutsches Institut für Qualität und Finanzen
- Best Distribution Network – Italian Certificate Awards (2021, 2022, 2023) – ICA
- Gold medal as Italy's Best Asset Manager (2021, 2022, 2023/2024, 2025) – Deutsches Institut für Qualität und Finanzen
- Gold medal as Best Green Asset Manager (2023, 2025) – Deutsches Institut für Qualität und Finanzen (2nd place in 2022)
- Best Employer (2021, 2022, 2025, 2026) – Deutsches Institut für Qualität und Finanzen
- Best Private Bank in Europe for use of Technology – Financial Times Group
- Best Private Bank in Italy (2014, 2016, 2017, 2019, 2020, 2021, 2023, 2024, 2025) – Financial Times Group
- 2022 Best Private Bank for Digital Wealth Planning in Europe – Financial Times Group
- 2022 Best Private Bank for Diversity & Inclusion Italy – *World Economic Magazine*
- 2022 Banking Awards - Best Sustainable Private Bank – Italy 2022 – Capital Finance International
- Italian Top Manager Reputation by Reputation Science – Gian Maria Mossa in 1st place among networks and sole representative of advisory services in the financial top 10 – *Bluerating*
- 2025 Private Banking Awards (BFC): Gian Maria Mossa awarded with the Special Award 10 Years – Best Italian CEO (2015-2025)



Mission, Vision, Values



VISION

To be the No. 1 Private Bank, Unique by Value of Service, Innovation and Sustainability.



MISSION

Trusted professionals always by the customers' side, developing and looking after their life plans.

PURPOSE

PROTECTING AND IMPROVING THE LIVES OF PEOPLE AND BUSINESSES
BY ENHANCING THE MANAGEMENT OF THEIR ASSETS AND SAVINGS.

VALUES¹

The Banca Generali Values are in line with those of Generali Group:

DELIVER ON THE PROMISE

We want to build a long-term relationship of trust with people: employees, customers and stakeholders. The objective of our work is to improve our customers' lives, turning a promise into reality.

LIVE THE COMMUNITY

We are proud to belong to a Group that operates throughout the world with a major focus on social responsibility matters. We feel at home in all markets.



VALUE OUR PEOPLE

We give value to people, promote diversity and invest in encouraging ongoing learning and professional growth to create an environment that is transparent, collaborative and accessible to all.

BE OPEN

We are curious, proactive and dynamic people with open, diverse minds that want to look at the world from another viewpoint.

¹ For further information, see Banca Generali's Internal Code of Conduct, published on the website <http://www.bancagenerali.com> in its updated version.

The behaviours

Behaviours describe how the Bank wants to go about its activity every day and are what differentiate it from others. They represent its commitment, as a group and as individuals, and how it wants to measure the way in which results are achieved.

	OWNERSHIP Working proactively and passionately to achieve an excellent performance
	SIMPLIFICATION Simplifying, adapting quickly and making smart decisions
	HUMAN TOUCH Collaborating with others, showing empathy and team spirit
	INNOVATION Embracing differences to create innovation

Summary of Operations

Banca Generali Group closed financial year 2025 with **consolidated net profit of 445.8 million euros** compared to 431.2 million euros for the previous year (+3.4%), achieving a new all-time high for the Bank.

This growth was driven by the solid increase in **recurring net profit**, which reached **362.5 million euros (+6.8%)**.

Non-recurring net profit amounted to **83.4 million euros**, down compared to 92.0 million euros for 2024 (-9.3%) and benefiting from a **39.0 million euro** tax reimbursement following the Judgment of the EU Court of Justice No. 599 of 1 August 2025 on the exclusion of intragroup dividends received from EU subsidiaries from IRAP calculation.

This performance was particularly positive, considering the Bank's involvement in extraordinary finance transactions that limited its activities for several months.

In fact, it should be recalled that on 28 April 2025 Banca Generali was the object of the Public Voluntary Exchange Offer launched by Mediobanca, which generated a prolonged period of uncertainty. Following the official lapsing of the Offer on 20 August 2025, the Bank could resolutely forge ahead with its commercial development and business growth, leading total client assets to exceed the record high of 113.5 billion euros at the end of December.

The year 2025 also saw the launch of the first phase of the Insurbanking partnership with Alleanza Assicurazioni. This initiative, which offers a combination of banking products (BG Conto Unico) and hybrid insurance solutions (BG Stile Unico), aims at enhancing the integration of insurance expertise and banking solutions and at attracting at least some of the insurance customers' financial wealth currently held with third parties, while also contributing significantly to net banking income.

The consolidation scope changed compared to the previous year as a result of the acquisition of Intermonte, following the voluntary tender offer completed on 31 January 2025, and of the Swiss asset manager Aequitum on 31 October 2025. Therefore, the balance sheet and profit and loss aggregates of these two companies were included in the consolidated capital and financial position at 31 December 2025.

With regard to the Profit and Loss Account, further details are provided on individual items.

Net banking income exceeded **1,000 million euros** for the first time. This aggregate changed as a result of the increase in both **net financial income** (355.5 million euros; +5.0%) and **net recurring fees** (530.0 million euros; +11.3%), offset by the sharp decline in **variable fees**, which amounted to 114.8 million euros (-31.0%).

Operating expenses totalled **361.2 million euros** (+22.9%), up **67.2 million euros** attributable for approximately 38.3 million euros to the acquisition of Intermonte Group and for 13.5 million euros (3.6 million euros for 2024) to non-core items mainly attributable to Mediobanca's Public Voluntary Exchange Offer, the launch of new strategic projects and internal efficiency-building initiatives. **Core operating expenses** amounted to **288.6 million euros** on a like-for-like basis, up 7.7% primarily as result of the acceleration of IT expenses linked to the implementation of the strategic Insurbanking, data platform and AI projects.

Operating efficiency indicators remained at excellent levels, even taking into account Intermonte Group's component: the ratio of **total costs to total assets** stood at 32 bps, up slightly compared to 28 bps for 2024; the **cost/income ratio**, adjusted for non-recurring items, grew to 39.0% compared to 35.4% for the previous year, or to 36.8% excluding Intermonte's impact.

Provisions, contributions and charges related to the banking system and **net adjustments** amounted to **105.3 million euros**, down compared to **117.3 million euros** for 2024 (-12.0 million euros), chiefly as a result of the following factors:

- › the end of the initial period for the constitution of the deposit protection funds (-9.4 million euros);

- › the decline in other provisions (-10.0 million euros), mainly attributable to lower actuarial provisions for contractual indemnities and the previous year's one-off impact of the reactivation of the personnel rejuvenation provision (-8.8 million euros), partly offset by the increase in non-recurring provisions and value adjustments (+8.5 million euros) linked to commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid assets distributed by the Bank that were marked by investment repayment issues;
- › higher charges for adjustments to non-performing loans (+5.2 million euros);
- › one-off charges associated with the future disposal of the equity investment in BG Saxo SIM (+2.4 million euros) and with the reorganisation of BG Aequitum (+0.4 million euros).

The item **Extraordinary tax reimbursement** stood at a net **39 million euros** refers to the refund of the IRAP tax paid in prior years following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 concerning the joined cases from C-92/24 to C-94/24 (so-called "Mediolanum Judgment").

Profit before current taxes for the year was **572.8 million euros**, up 3.1 million euros compared to the previous year (+0.5%).

At year-end 2025, **total consolidated assets** amounted to **18.5 billion euros**, increasing by 1.6 billion euros (+9.7%) compared to year-end 2024, whereas core loans reached 17.1 billion euros (+8.8%). **Total net inflows from banks and customers** amounted to **15.9 billion euros**, up 9.7% compared to the capital position at year-end 2024, and consisted for just slightly less than 2% (0.3 billion euros) of interbank funding.

The **banking book financial assets** stood at 12.9 billion euros (+13.5% compared to the end of 2024). Over 95% of the assets was invested in bonds with a residual life of 3.3 years and a duration of 1.4 years, of which 35.2% floating-rate securities.

Exposures composed of loans to customers reached 2.5 billion euros, up 9.5%.

The interbank position, net of the bond component, fell to 1.0 billion euros, dropping significantly compared to the previous year (-29.3%), mainly as a result of the decline in deposits with the ECB (-0.6 billion euros).

With reference to **capital requirements**, the Bank confirmed the soundness of its regulatory aggregates. CET1 ratio was **17.1%** and Total Capital ratio was **18.9%**.

The integration of Intermonte and the new CRR3 regulatory framework generated a negative impact on consolidated capital ratios of about 2.1 percentage points referring to Intermonte and of approximately 3.8 percentage points due to the new methodology for calculating operational risks. The change in operational risk had instead an impact of around 1.6 percentage points.

These ratios were above the specific requirements set by the Bank of Italy for the Group (i.e., CET1 ratio at 8.7% and Total Capital Ratio at 13.2%) for the SREP – Supervisory Review and Evaluation.

In 2025, **total net inflows** amounted to 6.8 billion euros, with a sharp improvement in terms of product component. **Net inflows from Assets under Investment** stood at 4.0 billion euros, up +3.3% compared to the previous year and accounting for 58% of the total.

Net inflows from **Other Assets** amounted to 2.8 billion euros, driven by demand for assets under administration (2.1 billion euros) and the recent acceleration of Deposits (0.7 billion euros) linked to bonds reaching maturity.

The Group's **total client assets** stood at **113.5 billion euros**, including the around 1.5 billion euro contribution deriving from the assets managed by the Swiss subsidiaries, and grew by +9.3% on an annual basis.

In addition, managed assets also included 1.5 billion euros referring to assets under administration of the Generali Group companies.

Total assets underlying institutional portfolio management of Generali Group insurance companies or for which the Bank provides advisory services amounted to **7.4 billion euros**, of which **5.5 billion euros** invested in units of BGFML's Sicavs, in addition to **0.3 billion euros** regarding units of Sicavs distributed directly by BGFML.

Total client assets managed by the Banking Group or under its advisory therefore amounted to **122.7 billion euros**, of which 120.8 billion euros managed by or deposited with the Group and 1.9 billion euros under third-party advisory.

Assets under Advanced Advisory reached **12.0 billion euros** (+11.1% compared to 2024), with a 10.6% ratio to total client assets.

Group Economic and Financial Highlights

GROUP ECONOMIC AND FINANCIAL HIGHLIGHTS

(€ MILLION)	31.12.2025	31.12.2024	CHANGE %
Net interest income	325.0	317.1	2.5
Net financial income	355.5	338.6	5.0
Net fees	644.8	642.5	0.4
Net banking income	1,000.3	981.1	2.0
Net operating expenses ^(a)	-361.2	-294.0	22.9
of which: staff expenses	-164.5	-135.0	21.9
Operating result	639.1	687.1	-7.0
Provisions and charges related to the banking system ^(a) and other one-off charges	-101.9	-119.2	-14.5
Adjustments to non-performing loans	-3.4	1.8	n.a.
Profit before taxation ^(b)	572.8	569.8	0.5
Net profit	445.8	431.2	3.4

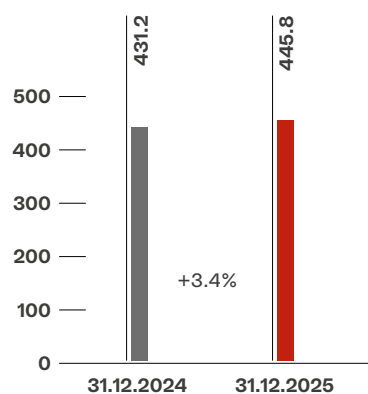
PERFORMANCE INDICATORS

	31.12.2025	31.12.2024	CHANGE %
Cost/Income ratio ^{(a) (c)}	36.1%	30.0%	20.5
Operating Costs/Total Assets – annualised ^(d)	0.32%	0.28%	12.4
EBTDA ^(a)	687.4	729.3	-5.7
ROE ^(e)	29.4%	32.3%	-8.8
ROA ^(f)	0.39%	0.42%	-5.4
EPS – Earnings per share (euros)	3.91	3.78	3.3

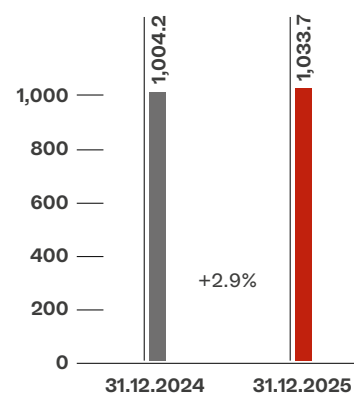
NET EQUITY

	31.12.2025	31.12.2024	CHANGE %
Net equity (€ million)	1,581.4	1,459.9	8.3
Own funds (€ million)	1,033.7	1,004.2	2.9
Excess capital (€ million)	314.6	484.6	-35.1
Total Capital Ratio	18.9%	24.4%	-22.5

NET PROFIT (€ million)



OWN FUNDS (€ million)



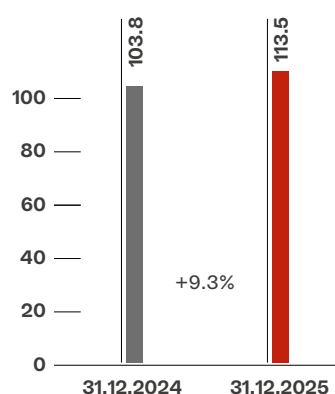
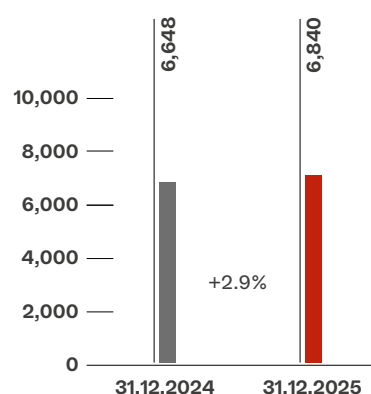
NET INFLOWS

(€ MILLION)	31.12.2025	31.12.2024	CHANGE %
Assets under Investment	3,981	3,853	3.3
Funds and Sicavs	935	390	139.7
<i>of which: in-house funds</i>	<i>1,032</i>	<i>997</i>	<i>3.5</i>
Financial wrappers	1,797	1,574	14.2
Insurance wrappers	78	891	-91.2
Managed solutions	2,810	2,855	-1.6
Traditional life insurance policies	512	341	50.1
AUC & Banking under Advisory	659	657	0.3
Other assets	2,859	2,795	2.3
Assets under Custody	2,076	1,523	36.3
Liquidity	783	1,272	-38.4
Total	6,840	6,648	2.9

TOTAL CLIENT ASSETS

(€ BILLION)	31.12.2025	31.12.2024	CHANGE %
Assets under Investment ^(a)	75.6	70.2	7.8
Funds and Sicavs	25.8	24.2	6.7
<i>of which: in-house funds</i>	<i>13.2</i>	<i>11.9</i>	<i>10.6</i>
Financial wrappers	14.5	12.7	13.6
Insurance wrappers	12.4	12.0	2.7
Managed solutions	52.6	49.0	7.5
Traditional life insurance policies	15.7	14.9	5.3
AUC & Banking under Advisory	7.3	6.3	15.3
Other assets ^(g)	37.9	33.7	12.5
Assets under Custody	26.0	22.4	15.9
Liquidity	11.9	11.2	5.6
Total ^(g)	113.5	103.8	9.3

- (a) For the purpose of a better understanding of operating performance, mandatory contributions (ordinary and extraordinary) paid to funds for the protection of the banking system (Italian Interbank Deposit Protection Fund, European Single Resolution Fund and Italian National Resolution Fund) and to the insurance system (Guarantee Fund for the Life Insurance Sector) have been reclassified from the administrative expenses aggregate to a separate item. The restatement better represents the evolution of the costs linked to the Bank's operating structure by separating them from the systemic charges incurred.
- (b) Profit before "current" taxation including the extraordinary tax reimbursement (39.0 million euros) following the Judgment of the European Court of Justice No. 599 of 1 August 2025.
- (c) The cost/income ratio measures the ratio of operating expenses to net operating income.
- (d) Ratio of operating expenses, gross of non-recurring components, to year-end exact total client assets within Assoreti's scope and total client assets of BG Valeur, annualised.
- (e) Ratio of net result to the arithmetic average of net equity, including net profit, at the end of the year and at the end of the previous year.
- (f) Ratio of net result for the year to year-end exact total client assets within Assoreti's scope and total client assets within the Swiss market, annualised.
- (g) Total client assets within Assoreti's scope and total client assets within the Swiss market.

NET INFLOWS
(€ million)TOTAL CLIENT ASSETS
(€ billion)

Macroeconomic Context and Positioning

Macroeconomic scenario and future prospects

In 2025, major transformations reshaped the global economic and financial environment. Donald Trump's entry into office reignited geopolitical and trade tensions, in a context already burdened by conflicts in the Middle East and the Russia-Ukraine war.

In the first quarter of the year, there was heavy selling on the main global stock markets following President Trump's announcement of tariffs on numerous goods the United States imports from its trading partners. Besides Europe, the US administration focused above all on China, with tariffs of up to 100% on certain types of products from Beijing. Subsequent negotiations between the parties then reduced fears of a further escalation in trade tensions, which had contributed to undermining the confidence of international investors. In mid-April, markets started to rebound, closing the year on an upward trend, in both the United States and Europe.

At macroeconomic level, after a first half of the year marked by uncertainty due to the US tariffs, GDP growth estimates stood at 2% for the United States and at 1.5% for Europe. As regards monetary policies, the main central banks showed clearly diverging stances. The ECB was regarded as having completed the easy cycle begun in 2024, cutting rates from 4% to 2%, whereas the US Federal Reserve adopted a more prudent approach, cutting its rates by just 75 basis points overall.

On the bond market, credit spreads narrowed markedly, enabling corporate issues to ensure interesting absolute returns, higher than government bonds and with lower volatility. The relative underperformance of Eurozone government bonds compared to corporate bonds also reflected uncertainty about the future sustainability of public debt in some countries. Worth noting was the positive performance of Italian BTP bonds, with the spread against the German Bund falling to 69. As regards global government bonds, the yield on ten-year US bonds fell from 4.57% to around 4.14%.

Turning to equity markets, after a long period of underperformance, Europe outperformed the United States, favoured by more attractive valuations, but above all by the weakening of the dollar linked to investor mistrust of the US administration's trade policies and President Trump's desire to maintain a structurally weaker dollar than in the past. In particular, the Stoxx 600 index returned around 16.6% in euros in the year. Among the main European markets, both Spain (around +49.2% in euros) and Italy (around +31.5% in euros) stood out thanks to the solid profitability of the banking sector. As of the second half of the year, the US stock market started to rally, with the S&P 500 index recovering its initial losses and ending up in positive territory (around +2.90% in euros). This performance reflected the dominance of tech stocks (around +6.4% in euros), particularly AI stocks.

Emerging markets outperformed developed countries thanks to the strong performance of Chinese stocks, with the Hang Seng index rising by approximately 12.4% in euros, supported by recovering volumes and record IPOs. In Japan, the TOPIX recorded a performance of about 8.4% in euros, thanks to expectations of reforms, fiscal stimulus and record stock buybacks under the leadership of new Prime Minister Sanae Takaichi.

With regard to currencies, the dollar depreciated against the euro, particularly in the first half of the year, after which it stabilised, leading the EUR/USD exchange rate to move from 1.03 to about 1.17, with a depreciation of 13%. As regards the yen, the currency weakened significantly against the euro (-12.9%).

In the year, the Commodity Index Total Return (BCOMTR Index) recorded a performance of approximately +2% in euros. Among others, precious metals made a positive contribution: gold (around +64% in dollars) continued to hit record highs, supported by the trend of constant purchases by central banks in various countries. Silver also reached new highs (+147% in dollars), supported by high demand linked to megatrends such as AI and electric vehicles, against a backdrop of limited supply. By contrast, oil recorded a negative performance in the year, down approximately -19.9% in dollars, due to the growing supply surplus.

Challenges and opportunities in the new scenario

In the context described above, financial markets made an overall positive contribution to portfolio performance in 2025, albeit with periods of volatility. After financial markets' correction in April, stock markets recovered in the following months. In parallel, bond markets performed well, benefiting from the gradual reduction in official interest rates and lower volatility in fixed income. However, these effects were partly offset by the impact of the depreciation of the dollar, which reduced the contribution of returns accrued on foreign currency exposures, mitigating the overall benefit of the markets on asset valuation.

This resulted in lower market contributions than in 2024, slowing down financial wealth growth.

Italian households' financial choices showed signs of continuity, but also of rebalancing. On the one hand, the propensity to save increased: the savings rate rose to **12.2%** on average in **the first half of 2025 (11.9% in H1 2024)**, in a context of rising real income and still cautious consumption. On the other hand, risk aversion remained high, with a tendency towards the accumulation of unallocated savings and a conservative asset allocation approach.

In line with the markets' more moderate dynamics in 2025, households' financial wealth (liquid assets, assets under administration and managed, insurance and pension products) grew more slowly than in 2024: in **June 2025**, managed and intermediated assets totalled **3,949 billion euros**, up **1.2%** compared to **+5.8%** for 2024.

This slowdown reflected both a more limited market contribution and a still cautious composition of flows, with a search for returns that continues to be selective and influenced by risk perception.

Looking ahead, investments in financial assets (deposits, assets under administration and managed, insurance and pension products) are expected to **exceed 80 billion euros in 2025**, to then stabilise at an annual average of **over 75 billion euros** in the coming three-year period.

Liquidity remained high, although deposits continued to reflect both the evolution of returns and the search for alternative solutions. In detail, flow dynamics split between on-demand deposits and other forms of funding, in a context still marked by a differential between government bond yields and average return on bank deposits — an element that triggers a gradual reallocation towards higher-yielding instruments.

On a forward-looking basis, liquid assets — which grew sharply in the post-pandemic period for precautionary purposes — are likely to stabilise due to opportunity cost linked to the erosion of purchasing power.

Demand for investments in government bonds and assets under administration gradually shrank, after the strong uptrend of the previous years, even in a context of declining yields. In the first half of 2025, investments in assets under custody were overall lower than the amounts recorded with the issues of the Italian **BTP Valore (February)** and **BTP Italia (May)** bonds, which totalled **21.4 billion euros** overall; this trend was also influenced by the expiry of the **BTP Italia bond in May**.

2020 (14 billion euros) and from the initial issues of the BOT bonds, given less attractive short-term yields.

Looking ahead, households' propensity to invest in government securities is expected to gradually decrease, albeit remaining buoyed by retail placements in the short term, against a backdrop of potentially less competitive yields compared to the 2023-2024 two-year period.

In parallel, portfolio composition shifted towards managed products and, with growing intensity, towards insurance solutions. In the first half of 2025, the highest flows were directed towards managed products, which once again represented the main component in attracting household savings (**+15 billion euros**). As regards managed products, net inflows were driven by mutual funds: households invested directly **over 10 billion euros**, with demand concentrated on bond and monetary solutions.

Flows to insurance products were positive, reversing the 2024 trend, albeit remaining modest: inflows were mainly concentrated on hybrid insurance policies, whereas traditional products continued to record outflows, as they are less attractive in the current interest rate environment.

On a forward-looking basis, the main market estimates suggest that the portfolio composition will continue to shift towards managed and insurance products, thus generating an opportunity for the advisory sector.

The results achieved by the distribution channels confirm the strengthening of the role of financial advisor networks, in terms of both commercial dynamics and of competitive positioning. In the first half of 2025, the market share of financial advisor networks (according to Prometeia estimates based on a homogeneous sample) grew to **20.6%** (+0.5 pps), whereas commercial banks recorded a decrease of **59.4%** (-0.4 pps) and the postal channel remained stable at **15.3%**.

In terms of competition, the consolidation of the banking sector and the growing interest of traditional banks towards wealth management are likely to intensify competition, particularly with regard to the selection and retention of financial advisors, the ability to offer services with greater professional content, and the adoption of increasingly advanced digital models.

In demographic terms, financial advisors' ageing and customers' generational transfers represent both a challenge and an opportunity for the industry, and will require investment in training, tools and service models that can meet emerging needs (protection, planning, pension, and generational transfer).

With regard to the regulatory framework, European regulators aimed at strengthening savers' participation in capital markets, introducing significant developments in 2025. In particular, on **30 September 2025**, the European Commission issued a recommendation on the characteristics of the **Savings and Investments Accounts (SIAs)**, promoting a common European blueprint for simple, accessible SIAs for investments in financial instruments (shares, bonds and shares or units in UCITS), focusing on competition among providers and the potential integration of national incentives.

In addition, the sector continued to prepare for a more stringent regulatory framework in terms of customer transparency and operational resilience, with impacts on processes, risk controls and technology investments (including developments related to DORA and the progressive evolution of prudential requirements).

On a technological level, the digitisation of financial services further evolved towards "hybrid" models, in which innovation — and, increasingly, artificial intelligence — does not replace the professional relationship, but rather expands its service capacity. In a context perceived as full of complexities, the value of advisory services strengthened, according to Prometeia: technology becomes the infrastructure to access qualified skills, enabling operational efficiency, greater access to services and new security standards, while also accelerating demand for digital competencies throughout the value chain.

In this scenario, AI adoption acts as an enabler for more personalised and scalable distribution and service models, provided that robust control measures are in place with regard to data quality, governance, operational risk and cybersecurity — factors that are becoming increasingly important for the industry.

In short, 2025 was marked by moderate growth, normalisation of the monetary policy, and a gradual shift in the portfolio composition. The industry's prospects will be influenced by the evolution of the macro-context and of interest rates, the intensification in wealth management competition, and the operators' ability to integrate technological innovation and regulatory safeguards. In this scenario, financial advisory and asset management services continue to play a central role in orienting customers towards investment choices that are consistent with their objectives, risk profiles and time horizons, while supporting the shift of the product range towards managed and insurance solutions.

Banca Generali's Competitive Positioning

Banca Generali is a leading Italian distributor of financial products and services for Affluent and Private customers through Financial Advisors. The Group's markets of reference are asset management and distribution through its networks of Financial Advisors.

The asset management market

The Italian asset management industry closed 2025 with net inflows of 23.0 billion euros, mainly thanks to net inflows from Italian funds and GP retail solutions. Long-term bond funds recorded significant net inflows, driven by market trends and ongoing high interest rates.

Assets under management amounted to 1,511 billion euros (net of assets invested in institutional management solutions and in collective management solutions related to closed-ended funds), of which 1,337 billion euros (88%) was invested in Italian and foreign funds and 174 billion euros in retail portfolio management solutions.

Long-term funds accounted for almost all open-ended funds (91% in December 2025). These funds included the following categories:

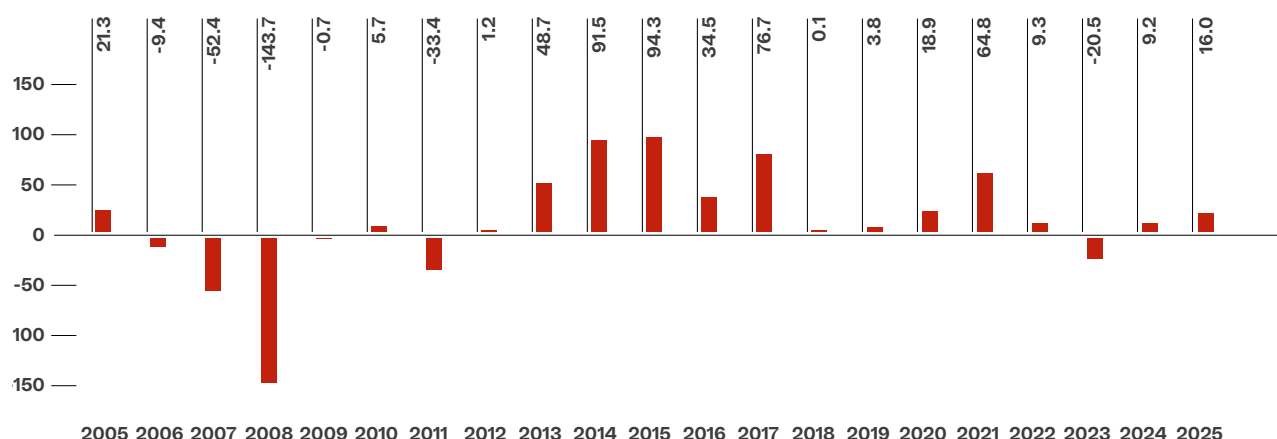
- › bond funds (36.3% of total assets or 485.9 billion euros), with +22.7 billion euro net inflows since year-start;
- › equity funds (31.6% of total assets or 423.0 billion euros), with net outflows of approximately -2.0 billion euros since year-start;
- › flexible funds (13.5% of total assets or 181.1 billion euros), with net outflows of -5.6 billion euros;
- › balanced funds (9.3% of total assets or 124.3 billion euros), with net outflows of -9.8 billion euros since year-start;
- › hedge funds (0.1% of total assets or 1.0 billion euros), with near-zero net inflows.

Money-market funds amounted to 55.9 billion euros (4.2% of total open-ended funds), with net inflows of 5.5 billion euros since year-start. The remaining 4.9% consisted of unclassified funds.

EVOLUTION OF NET INFLOWS AND ASSETS UNDER MANAGEMENT²

(€ MILLION)	NET INFLOWS					ASSETS				
	12.2025	12.2024	12.2023	12.2022	12.2021	12.2025	12.2024	12.2023	12.2022	12.2021
Italian funds	12,487	15,927	5,484	66	5,848	308,667	283,750	250,550	228,259	259,028
Foreign funds	3,507	-6,750	-26,028	9,272	58,921	1,028,249	986,921	873,469	846,450	1,004,303
Total funds	15,994	9,177	-20,544	9,338	64,769	1,336,916	1,270,671	1,124,019	1,074,709	1,263,331
GP Retail	6,982	9,425	2,030	7,316	12,021	173,879	162,452	156,495	144,428	164,343
Total	22,976	18,602	-18,514	16,654	76,790	1,510,795	1,433,123	1,280,514	1,219,137	1,427,674

² Source: Assogestioni.

THE UCITS³ MARKET IN ITALY

Source: Assoreti.

The Assoreti market

Net inflows amounted to +60.8 billion euros in 2025, with a +9.2 billion euro increase (+17.8%) compared to the same period of the previous year.

Net inflows from assets under management stood at +25.6 billion euros, up significantly compared to the previous year. In this segment, the contribution of mutual funds and Sicavs was +20.3 billion euros, whereas that of discretionary mandates was +5.3 billion euros.

Net inflows from insurance products stood at +12.0 billion euros, confirming the renewed interest towards these solutions compared to 2024 (+4.6 billion euros YoY).

Net inflows from assets under administration closed on a positive note (+23.2 billion euros), down compared to the particularly good result of the previous year (-11.5%). This item was the result of liquidity net inflows amounting to just 2.7 billion euros and the particularly positive net inflows from assets under custody, amounting to +20.6 billion euros.

TOTAL NET INFLOWS (ASSORETI)⁴

(€ MILLION)	31.12.2025	31.12.2024	CHANGE VS 31.12.2024	
			ABSOLUTE	%
Total assets under management	25,573	17,980	7,592	42.2%
Total insurance products	12,006	7,377	4,629	62.7%
Total assets under administration	23,239	26,250	-3,011	-11.5%
Total	60,818	51,608	9,210	17.8%

Banca Generali

In 2025, Banca Generali's net inflows amounted to 6.8 billion euros.

Managed solutions recorded significant net inflows (2.8 billion euros since year-start), driven by demand for financial wrappers (1.8 billion euros since year-start) and in-house funds (1.0 billion euros since year-start).

³ Undertakings for Collective Investment (source: Assogestioni data).

⁴ Source: Assoreti.

Demand for traditional life insurance policies was particularly robust, with 512 million euro net inflows, confirming customers' strong interest towards protection and succession planning; these trends drove the growth of Assets under Investment.

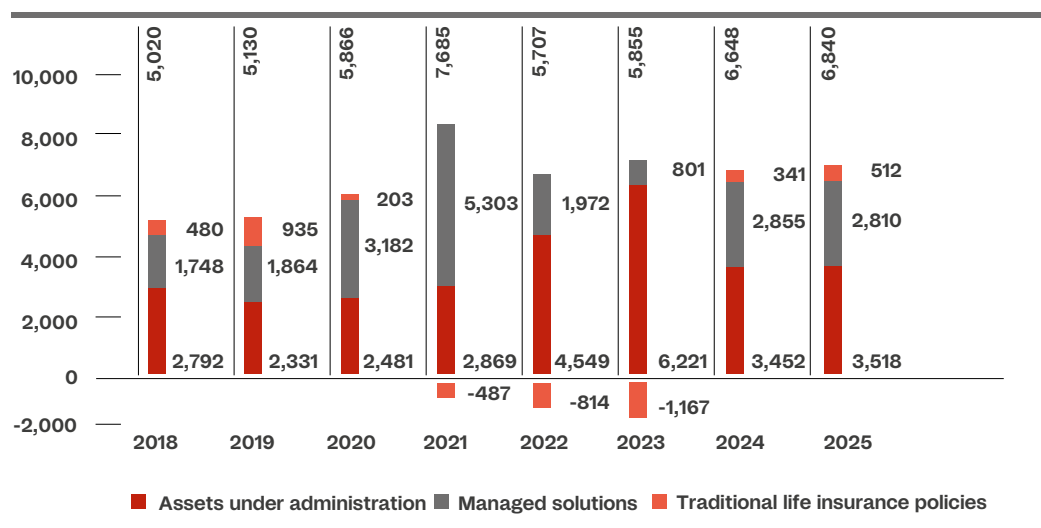
Assets under administration were in line with the levels of the previous year: net inflows from AUC & Banking under Advisory amounted to 659 million euros compared to 657 million euros as of December of the previous year (+0.3%). Other Assets (Assets under Custody and liquidity) remained at excellent levels (2.9 billion euros), up compared to 2.8 billion euros for 2024 (+2.3%).

BANCA GENERALI GROUP'S NET INFLOWS⁵

(€ MILLION)	BANCA GENERALI GROUP		CHANGES VS 31.12.2024	
	31.12.2025	31.12.2024	AMOUNT	%
Assets under Investment	3,981	3,853	128	3.3%
Managed solutions	2,810	2,855	-45	-1.6%
Funds and Sicavs	935	390	545	140.0%
<i>of which: in-house</i>	1,032	997	35	3.5%
<i>of which: third-party</i>	-97	-607	510	-84.0%
Financial wrappers	1,797	1,574	223	14.2%
Insurance wrappers	78	891	-814	-91.3%
Traditional life insurance policies	512	341	171	50.0%
AUC & Banking under Advisory	659	657	2	0.3%
Other assets	2,859	2,795	64	2.3%
Assets under Custody	2,076	1,523	553	36.3%
Liquidity	783	1,272	-489	-38.5%
Total	6,840	6,648	192	2.9%

The following chart shows how Banca Generali has succeeded in constantly and continuously attracting net inflows, although the market context has profoundly changed in recent years.

BANCA GENERALI GROUP'S NET INFLOWS (€ MILLION)⁶



⁵ Reported figure including the Swiss market.

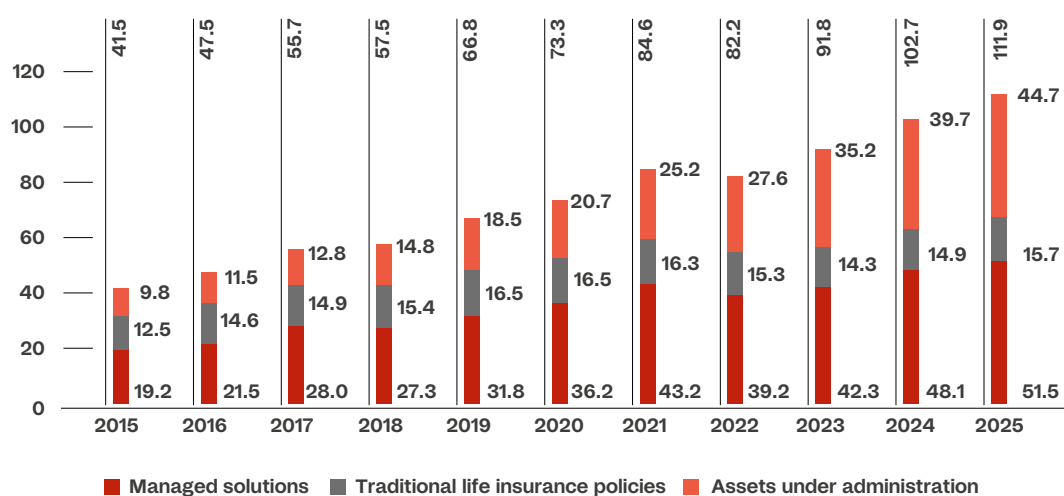
⁶ Reported figure including the Swiss market; the figure of YTD net inflows from managed solutions includes insurance wrappers.

BANCA GENERALI GROUP'S AUM (TOTAL ASSORETI AUM)

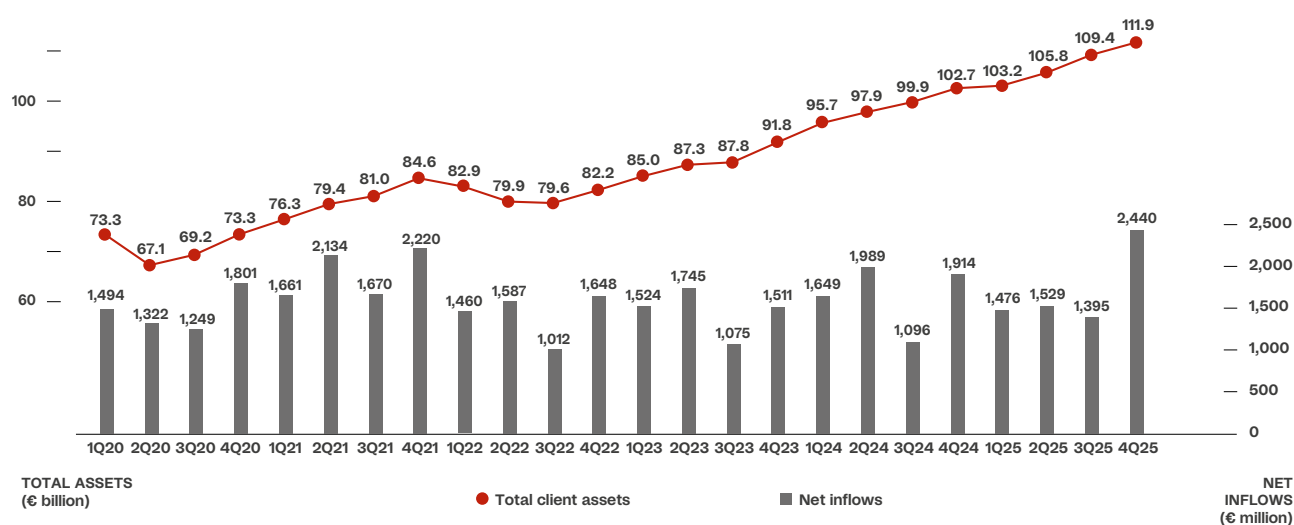
(€ MILLION)	BANCA GENERALI GROUP		CHANGES VS 31.12.2024	
	31.12.2025	31.12.2024	AMOUNT	%
Assets under Investment	74,364	69,299	5,065	7.3%
Managed solutions	51,520	48,085	3,435	7.1%
Funds and Sicavs	25,810	24,182	1,628	6.7%
Financial wrappers	13,334	11,857	1,477	12.5%
Insurance wrappers	12,376	12,046	330	2.7%
Traditional life insurance policies	15,701	14,914	787	5.3%
AUC & Banking under Advisory	7,143	6,300	843	13.4%
Other assets	37,582	33,420	4,163	12.5%
Assets under Custody	25,724	22,177	3,548	16.0%
Liquidity	11,858	11,243	615	5.5%
Total client assets	111,946	102,719	9,227	9.0%

At 31 December 2025, the Group's AUM (excluding BG Valeur and BG Suisse) amounted to 111.9 billion euros (+9.0%), with managed solutions remaining the main component of the asset mix, accounting for 46.0% of total managed assets. Traditional life insurance policies accounted for 14.0% of the total (14.5% at 31 December 2024).

The following tables show the performance of Banca Generali's net inflows and total assets and the breakdown of net inflows by macro-components.

BANCA GENERALI GROUP'S TOTAL ASSETS EVOLUTION 2015-2025 (ASSORETI SCOPE)
(€ BILLION)


EVOLUTION OF TOTAL ASSETS AND NET INFLOWS



Considering BG Valeur and BG Suisse as well, at 31 December 2025, the Group's AUM amounted to 113.5 billion euros, with managed solutions remaining the main component of the asset mix, accounting for 46.4% of total managed assets. The Assets under Investment component, including managed solutions, insurance products and AUC & Banking under Advisory, stood at 75.6 billion euros, up compared to year-end 2024 and accounting for 66.6% of total assets (assets under advisory amounted to 12.0 billion euros at 31 December 2025).

BANCA GENERALI GROUP'S ASSETS UNDER INVESTMENT

(€ MILLION)	BANCA GENERALI GROUP		CHANGES VS 31.12.2024	
	31.12.2025	31.12.2024	AMOUNT	%
Assets under Investment	75,615	70,170	5,445	7.8%
Managed solutions	52,649	48,956	3,693	7.5%
Funds and Sicavs	25,810	24,182	1,628	6.7%
Financial wrappers	14,463	12,728	1,735	13.6%
Insurance wrappers	12,376	12,046	330	2.7%
Traditional life insurance policies	15,701	14,914	787	5.3%
AUC & Banking under Advisory	7,265	6,300	965	15.3%
Other assets	37,857	33,656	4,201	12.5%
Assets under Custody	25,986	22,411	3,575	15.9%
Liquidity	11,871	11,245	626	5.6%
Total client assets	113,472	103,826	9,646	9.3%

Strategic Guidelines

Strategic approach

In 2025, Banca Generali confirmed a strategic approach oriented towards growth in the private banking sector, with the aim of further improving its service quality and ability to meet increasingly sophisticated wealth-management needs.

This strategy rests on two interrelated pillars:

- › **strengthening the core business**, through the reinforcement of the BG Network, the evolution of product platforms and technological innovation;
- › implementing **new growth paths**, powered by the integration of Intermonte and the launch of the Insurbanking partnership with Alleanza, aimed, respectively, at:
 - a) extending the value proposition to the entrepreneurial segment, while strengthening Banca Generali's capital markets capabilities;
 - b) expanding the Bank's Affluent customer base, in partnership with one of the most performing insurance distribution networks in Italy.

Strengthening the core business

Evolution of the service model and development of the BG Network

The Bank continued to strengthen its BG Network, in line with a service model based on relationships, specialised expertise and the ability to stay at the side of customers over time. Ongoing initiatives aim to promote **generational transition** and the recruitment of new professionals, as well as the evolution of the **teamwork model** and of the methods of collaboration, including greater customisation of the organisational and commercial model. To this end, the Bank also promotes vertical expertise and supports impactful initiatives, including the expansion of the **Sustainable Advisor** programme (over 200 Financial Advisors). A programme dedicated to younger Financial Advisors was also launched, with a focus on training, commercial skills and operating tools supporting professional growth.

Strengthening of managing companies and expansion of the range of products

In parallel, the Bank continued to develop its asset management capabilities and advance its product platforms, with the aim of strengthening the competitiveness of the offering and its ability to respond to customers' changing investment choices. Its strategic priorities included:

- › **increasing the penetration of in-house funds**, through the onboarding of third-party asset managers' flagship strategies into the Lux IM platform and the development of thematic strategies based on industrial advisory;
- › **expanding solutions that facilitate greater equities diversification** (Maturity-Protected Equity, Equity Step-In);
- › **entering the universe of active ETFs/active indexing funds** thanks to a brownfield project, with the development of a platform in **Ireland** to capture structural ETF market growth and support the efficiency of product manufacturing. This initiative will be fully implemented in 2026.

Technological innovation and Artificial Intelligence as a cross-cutting lever

In 2025, the Bank accelerated the evolution of its operating and service model through the adoption of **artificial intelligence** as a cross-cutting lever. The approach combined initiatives aimed at developing internal skills and structured experimentation with use cases: the cultural shift path included the **AI Ambassador** initiative (which involved 40 colleagues) and a training programme for **1,121 employees** (94% of the population) for a total of over **15,000 hours**. The spread of productivity tools included the adoption of Copilot Chat by most of the company population, with an activation rate exceeding 80%.

As regards application, the adoption of a model for collecting and validating use cases led to record over **300 use cases** and develop **more than 100 AI Agents**. The Bank also defined an oversight unit and an operating model (“AI Factory”) with the support of technological partnerships. The priority areas of application concern:

- i) the enhancement of operational and control processes;
- ii) support for managing companies and analytics/reporting functions;
- iii) tools supporting the Network and the Financial Advisor-Customer relationship, with the aim of enhancing promptness, personalisation and responsiveness. To this end, the **GRACE** platform was developed with the aim of enhancing the productivity and effectiveness of employees and Financial Advisors.

Intermonte: expansion of the value proposition and internalisation of expertise

The integration of Intermonte is a strategic pillar for expanding the Bank’s value proposition as it strengthens its ability to specifically serve entrepreneurial customers and develop specialised expertise throughout the value chain (particularly within capital markets).

The industrial rationale is geared towards combining the BG Network’s proximity and the expertise of a specialised platform, with expected benefits in terms of value of service, increased funding capacity, diversification of revenue streams and greater ability to internalise margins.

The first synergies at commercial and operational level already materialised in 2025, with **over 100 requests for investment banking services** submitted by Wealth Managers to Intermonte in the first nine months of the year. In addition, activity in certificates was extended to capital-protected solutions as of Q3 2025, leveraging on Intermonte as hedging counterparty.

In prospective terms, the Bank announced a growth target for the Net Banking Income of Intermonte from **42 million euros (2024)** to **~80-90 million euros** by 2030, with its cost/income ratio improving from -80% to <60%, also thanks to the expected synergies (25%-30% of the total as soon as by 2026).

Insurbanking partnership with Alleanza: expansion of the Affluent customer base and enhancement of platforms

The first phase of the **Insurbanking partnership with Alleanza** was launched in 2025 with the aim of building on the complementarity of Alleanza’s insurance expertise and Banca Generali’s banking and investment solutions, to serve a wide, qualified **Affluent customer base**.

The targetable financial wealth of Alleanza’s Customers, mainly held with third-party institutions, is estimated at about 170 billion euros. The Insurbanking project aims to attract this wealth through **an integrated range of hybrid banking and insurance products with high advisory content**.

The project intends to lay the foundations to generate new growth opportunities for both Alleanza’s distribution network and Banca Generali, in its role as managing company. In prospective terms, the 2030 roadmap calls for Insurbanking volumes amounting to **7.0-8.5 billion euros** (including the Stile Unico policy and banking services) and a **Net Banking Income of 40-50 million euros**.

Banca Generali’s strategic guidelines are based on a path aimed at consolidating the core business and on initiatives to expand growth and value creation capacities. The gradual integration of Intermonte and the launch of the Insurbanking partnership with Alleanza are accompanied by the strengthening of the service model and investments in innovation — with a specific focus on AI — as enabling drivers of operational efficiency, expansion of the value proposition and quality of relationships.

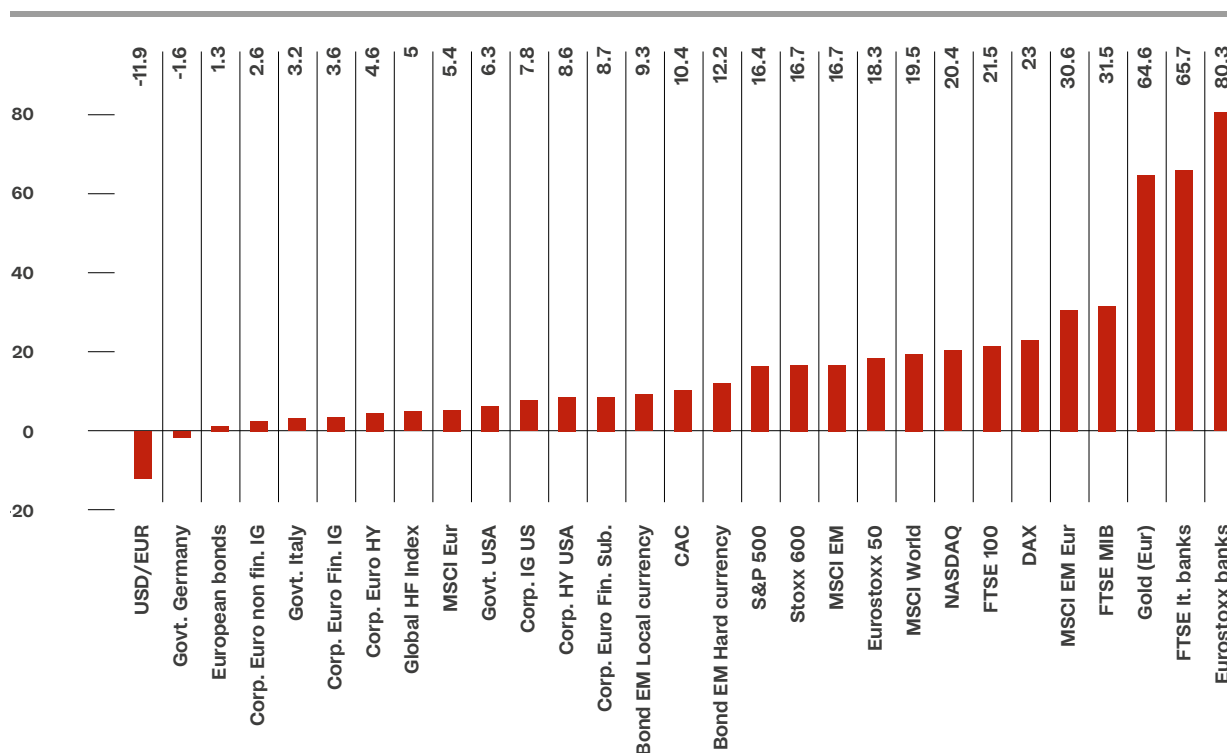
Banca Generali S.p.A. Stock Performance

International financial markets — both equity and bonds — closed 2025 with positive results, despite some phases of marked volatility throughout the year due to uncertainties arising from trade policies and geopolitical risks.

In the United States, the volatility peak was reached following President Trump's so-called “Liberation Day”, and then gradually normalised thanks to higher returns from tech and AI-related stocks. These pushed US stock markets to new highs, particularly Nasdaq and the S&P 500 general index, which ended the year with returns of 20.4% and 16.4%, respectively, in local currency.

Europe recorded very positive results (Eurostoxx 50: +18.3%; Eurostoxx 600: +16.7%), driven by earnings growth and the expansion of multiples, benefiting from low average valuations in Europe, with certain individual European markets — including Italy — recording the strongest performances overall. In particular, the Italian stock exchange index (FTSE MIB) grew by +31.5%, delivering its best annual performance since 2000. At international level, Seoul (+90.7%) and Tokyo (+26.2%) were the best-performing equity markets.

PERFORMANCE OF THE WORLD'S INDEXES IN 2025 (%)

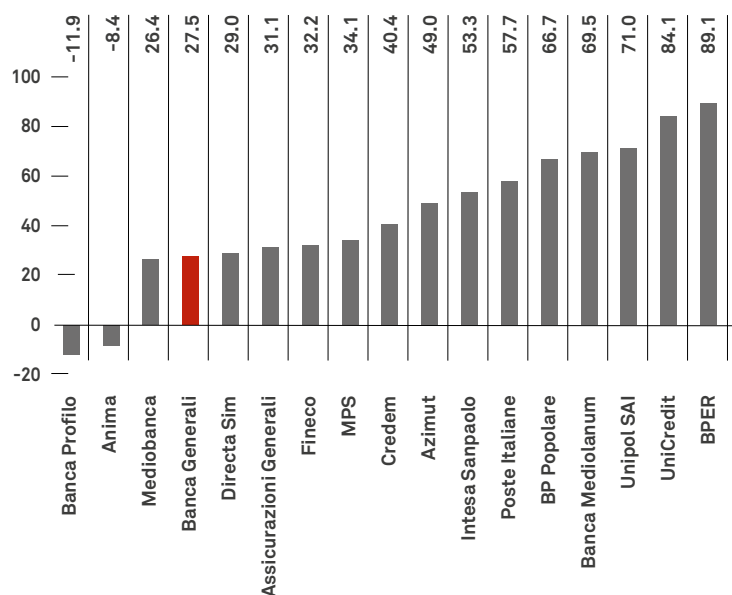


Source: Bloomberg.

Italian and European equity indexes were mainly supported by the sharp growth of the banking sector (Eurostoxx Banks: +80.3%; FTSE Italian Banks: +65.7%), driven by the robust results of financial institutions and the many consolidation deals in the year.

In this scenario, the Italian asset management sector recorded an overall positive performance, albeit with diversified dynamics attributable to both financial factors and the sector consolidation processes.

PERFORMANCE OF THE MAIN FINANCIAL STOCKS ON THE ITALIAN MARKET IN 2025 (%)



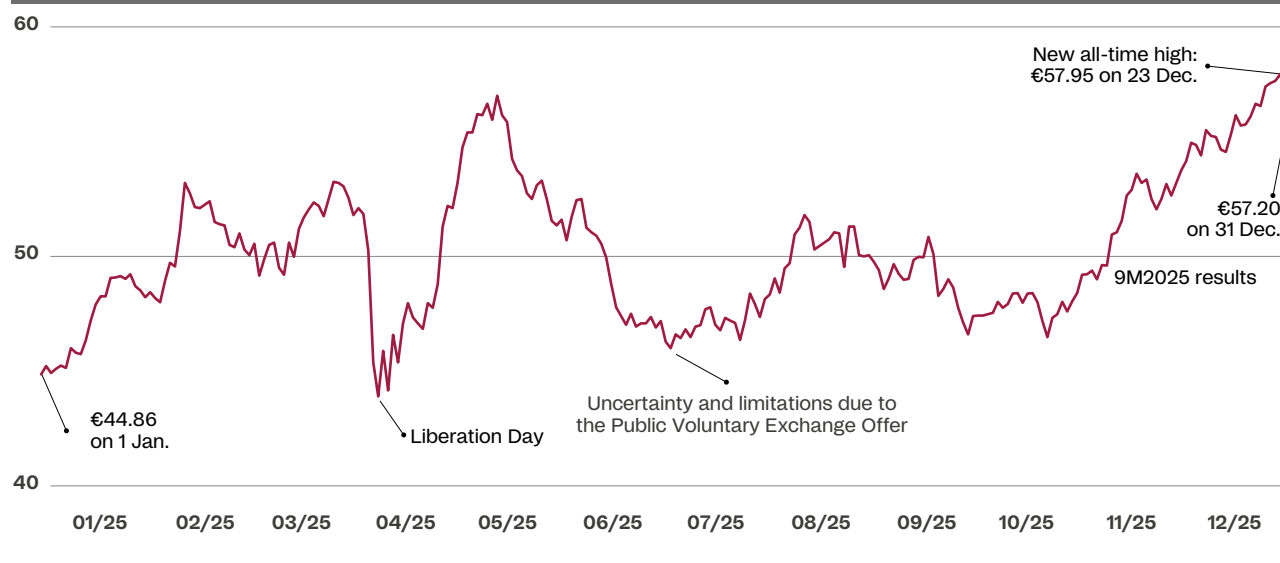
Source: Bloomberg.

Within this context, Banca Generali stock was impacted, between May and August, by the uncertainty and operational consequences arising from its involvement in the banking consolidation process, following the Public Voluntary Exchange Offer launched by Mediobanca on 28 April 2025 and lapsed on 21 August.

After the lapsing of the Offer, the acceleration of the Bank's commercial results and the announcement of its main strategic initiatives drew renewed attention to the stock, driving its recovery.

This favourable trend intensified at year-end, leading to the all-time high of 57.95 euros on 23 December 2025. The uptrend continued in the first days of 2026, when the stock reached a **new high of 59.20 euros on 6 January**.

BANCA GENERALI STOCK PERFORMANCE IN 2025



Source: Bloomberg.

At the end of 2025, the Bank's capitalisation was 6,684 million euros.

MARKET PRICES OF BANCA GENERALI S.P.A. SHARES – SUMMARY

(EUROS)	2021	2022	2023	2024	2025
Maximum	43.20	38.88	34.59	45.80	57.95
Minimum	25.54	24.01	27.99	33.17	43.90
Average	34.32	30.88	31.99	38.73	50.25
Year-end	38.75	32.06	33.64	44.86	57.20
Capitalisation (€ million)	4,528	3,746	3,931	5,242	6,684

The Bank's shares amounted to 116,851,637, of which 50.2% held by Assicurazioni Generali. At year-end 2025, the number of treasury shares was 2,942,019, accounting for 2.5% of share capital. These shares are intended for the service of long-term remuneration plans for the Bank's Key Personnel, thus strengthening the alignment of remuneration policies with the long-term value creation.

AUTHORISED SHARE CAPITAL

	2021	2022	2023	2024	2025
Number of shares issued	116,851,637	116,851,637	116,851,637	116,851,637	116,851,637
No. of outstanding shares at year-end ^(*)	114,632,168	114,042,140	113,931,636	113,943,730	113,909,618
Treasury shares	2,219,469	2,809,497	2,920,001	2,907,907	2,942,019

(*) Net of treasury shares.

Business Outlook

2026 is expected to be a year in which the macroeconomic context is likely to show signs of gradual stabilisation, with moderate global growth and European inflation moving towards levels more aligned with central banks' targets. At the same time, market trends will continue to be influenced by non-negligible variables, such as persistent geopolitical tensions, the slowdown in international trade and the evolution of monetary policies. These factors could affect investors' sentiment and savers' allocation choices, maintaining a high level of sensitivity towards flexible, diversified products with a balanced and **protection-oriented** risk-return profile. At the same time, the banking industry will once again be called upon to deal with a constantly evolving regulatory scenario, marked by strengthened digital resilience control measures and greater expectations in terms of transparency towards investors, as well as by a gradual integration of ESG factors into business processes. This will require ongoing investments in systems, internal organisation and the quality of operational processes.

In this scenario, Banca Generali is entering the new financial year with a business model further strengthened by the results delivered in 2025: it reported a balanced growth in total assets that even outperformed the guidance, a higher incidence of recurring components and a high capital solidity, confirming the resilience of the model even in a complex context. The outlook points towards consolidated strategic trajectories, aimed at **strengthening the Bank's competitive positioning** and seizing the opportunities arising from the growing demand for advanced and personalised advisory, also thanks to important development-enabling factors. This development will also be fostered by a focus on the use of artificial intelligence, both for internal activities and in support of the BG Network.

A key priority will be the ongoing **development of the Financial Advisor Network**, supported by programmes dedicated to training, specialisation, collaboration among professionals, and the use of innovative elements. This commitment will be accompanied by a further enhancement of the digital tools available to the BG Network, with a particular focus on **AI** solutions, which will help improve efficiency, as well as service quality and personalisation. In a context characterised by greater financial awareness and renewed attention to the **protection of the purchasing power**. Customers will increasingly require competent and empathetic support, capable of interpreting their real wealth planning and protection needs. Against this backdrop, the value of the Customer-Financial Advisor **relationship of trust** will continue to be a distinctive and key element in the Bank's value proposition.

On the supply side, building on its holistic commercial proposition and on the ability of the professionals within its commercial network to develop solid relationships of trust with customers, the Bank will continue to expand its managed and insurance solutions, promoting its in-house managing companies and consolidating the role of advanced advisory with the ultimate goal of achieving total net inflows of over 6.5 billion euros in 2026, of which 4 billion euro assets under investments. Furthermore, the two main strategic projects launched in 2025 — **Intermonte** and **Insurbanking** — will be increasingly important and, starting in 2026, will begin to more clearly demonstrate their ability to expand Banca Generali Group's range of services and its growth levers. At year-end 2025, the integration of Intermonte already led to the launch of synergistic initiatives that generated positive results in terms of enhanced skills on investment-banking markets, products and services, further fuelling confidence in the project's potential and in its long-term strategic contribution.

At the same time, the **Insurbanking** project with Alleanza — launched in autumn 2025 — was met with immediate, strong engagement of the Alleanza network and positive customer feedback, also thanks to the introduction of the dedicated Stile Unico insurance solution. In 2026, the project's banking component will gradually be implemented. After an initial pilot phase on a selected group of professionals, it will be extended on a large scale, thus creating new growth opportunities for expanding the customer base.

Consolidating international expansion will be another development pillar, driven in particular by **BG Suisse**, which offers a modern and flexible platform to serve both onshore Swiss Customers and Italian Customers looking for a geographically diversified asset management service. This initiative allows Banca Generali Group to position itself in a market with a high wealth concentration, expanding commercial opportunities and strengthening its presence in the most advanced customer segments.

The Bank will also continue to embed ESG principles into its management policies and advisory processes, adopting a pragmatic approach focused on service quality, transparency and accountability towards stakeholders. The initiatives in this area will aim at supporting Customers' informed choices and promoting a proper balance between performance, risk and social-environmental impact.

In short, for Banca Generali, 2026 will be a year of consolidation and development, based on **service excellence**, **digital innovation** and **sustainability**, the expansion of internal synergies and the Bank's ability to guide its Customers in a complex context, while preserving and enhancing their managed assets and confirming its role as a benchmark in the Italian financial advisory sector.

In light of the foregoing, Banca Generali's economic forecasts for 2026 in terms of **profitable growth** point to **net interest income** in the range of 330-340 million euros and average **management fee margin** stable at around 140-142 basis points.

Operating expenses are expected to be essentially in line with the growth reported in the previous three-year period, with an expected increase for 2026 in the range of 6% to 8% compared to the previous year. The approach will be mainly oriented towards digital innovation and the development of products and services aimed at further improving the quality of advice provided to Customers and the BG Network's productivity, as well as towards the consolidation of the Bank's positioning in terms of sustainability.

Operating Results at Group Level and by Line of Business

Group's Results

Banca Generali Group closed financial year 2025 with **consolidated net profit of 445.8 million euros** compared to 431.2 million euros for the previous year (+3.4%), achieving a new all-time high for the Bank.

This growth was driven by the solid increase in **recurring net profit**, which stood at **362.5 million euros (+6.8%)**.

Non-recurring net profit amounted to **83.4 million euros**, down compared to 92.0 million euros for 2024 (-9.3%) and benefiting from a **39.0 million euro** tax reimbursement following the Judgment of the EU Court of Justice No. 599 of 1 August 2025 on the exclusion of intragroup dividends received from EU subsidiaries from IRAP calculation.

PROFIT AND LOSS ACCOUNT⁷

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Net interest income	325,014	317,106	7,908	2.5%
Net income (loss) from trading activities and dividends	30,532	21,536	8,996	41.8%
Net financial income	355,546	338,642	16,904	5.0%
Recurring fee income	1,130,947	1,041,172	89,775	8.6%
Fee expense	-600,912	-565,069	-35,843	6.3%
Net recurring fees	530,035	476,103	53,932	11.3%
Variable fee income	114,765	166,387	-51,622	-31.0%
Net fees	644,800	642,490	2,310	0.4%
Net banking income	1,000,346	981,132	19,214	2.0%
Staff expenses	-164,507	-134,997	-29,510	21.9%
Other general and administrative expenses (net of duty recoveries)	-158,807	-131,802	-27,005	20.5%
Net adjustments of property, equipment and intangible assets	-48,266	-42,143	-6,123	14.5%
Other operating expenses/income	10,346	14,926	-4,580	-30.7%
Net operating expenses	-361,234	-294,016	-67,218	22.9%
Operating result	639,112	687,116	-48,004	-7.0%
Net adjustments to non-performing loans	-3,412	1,837	-5,249	-285.7%
Net provisions for liabilities and contingencies	-95,818	-105,830	10,012	-9.5%
Contributions and charges related to the banking and insurance system	-3,238	-12,592	9,354	-74.3%
Gains (losses) from equity investments and other assets	-2,849	-758	-2,091	275.9%
Extraordinary tax reimbursement	39,049	-	39,049	n.a.
Operating profit before current taxes	572,844	569,773	3,071	0.5%
Income taxes for the year	-126,133	-138,548	12,415	-9.0%
Net profit attributable to minority interests	866	-	866	n.a.
Net profit	445,845	431,225	14,620	3.4%
Recurring net profit	362,465	339,263	23,202	6.8%
Non-recurring net profit	83,380	91,962	-8,582	-9.3%

⁷ For the purpose of a better understanding of operating performance, the following reclassifications have been made in the presentation of the reclassified Consolidated Profit and Loss Account:

- 1) reclassification to the net fee aggregate of the provisions for incentives related to sales and recruitment plans; the net provisions aggregate was restated net of these items, amounting to 19.3 million euros in 2025 and to 15.7 million euros in 2024;
- 2) reclassification to the other general and administrative expenses aggregate of taxes recovered from customers, accounted for among other operating income and expenses and amounting to 129.7 million euros in 2025 and to 119.0 million euros in 2024;
- 3) reclassification of the costs of the mandatory contributions paid by the Bank, pursuant to the DSGD and BRRD for the protection of the banking system (contributions to the Italian Interbank Deposit Protection Fund and the European Single Resolution Fund) and to the new Guarantee Fund for the Life Insurance Sector, from the general and administrative expenses aggregate to a separate item not included in the net operating expenses aggregate; this restatement aligns the Bank's disclosure with the most widespread market practices and enables a better presentation of the performance of costs more closely connected to the Bank's operating structure by separating them from the amount of the systemic charges incurred;
- 4) reclassification of the impairment of the BG Valeur trademark — intangible asset with indefinite life — from item "Net adjustments of property, equipment and intangible assets" to item "Gains (losses) from equity investments and other assets" (0.4 million euros);
- 5) reclassifications of non-recurring adjustments of non-performing POCI exposures arising from the rights of recourse related to the enforcement of guarantees and of amounts receivable in relation to usufruct rights on coupons, amounting to 16.0 million euros, into the net provisions for liabilities and contingencies aggregate;
- 6) reclassification of the reimbursement of prior years' IRAP on dividends from EU subsidiaries, as well as of the related interest accrued and the taxes for the year to a separate item.

The consolidation scope changed compared to the previous year as a result of the acquisition of Intermonte, following the voluntary tender offer completed on 31 January 2025, and of the Swiss asset manager Aequitum on 31 October 2025. Therefore, the profit and loss aggregates of these two companies were included in the consolidated capital and financial position at 31 December 2025, but not in that at 31 December 2024 used for the comparison. The financial contribution of these acquisitions amounted to just over 6.6 million euros and had no significant impacts overall on the Banking Group's main profit and loss aggregates. However, an analysis of the most significant impacts on the various items of the Profit and Loss Account is provided below.

Net banking income exceeded **1,000 million euros** for the first time, up 19.2 million euros compared to the previous year. The aggregate changed as a result of the increase in **net financial income (+16.9 million euros; +5.0%)** and **net recurring fees (+53.9 million euros; +11.3%)**, offset by the decline in **variable fees (-51.6 million euros; -31.0%)**. Intermonte Group contributed nearly 44.5 million euros.

More in detail, net banking income changed due to the following components:

- › the modest increase in **net interest income to 325.0 million euros (+2.5%)**, attributable to the expansion of trading volumes despite the sharp yield reduction in a context of still declining interest rates;
- › the 41.8% sharp rise in **net income from trading activities and dividends to 30.5 million euros**, mainly benefiting from the new activities related to Intermonte (16.1 million euros) linked to its Global Markets and Sales & Trading activities;
- › the good performance of **gross recurring fees**, with a solid increase to 1,130.9 million euros (+8.6%) owing to the following factors:
 - the rise in **investment fees⁸ (976.3 million euros)**, driven by the increase in both traditional gross management fees (921.5 million euros) and total assets;
 - the increase in **other recurring fees** (banking, brokerage and entry fees) to 154.7 million euros, which benefited from Intermonte's contribution (30.9 million euros);
- › the decline in **variable fees** to 114.8 million euros (-31.0%), due to an unfavourable comparison with the particularly high levels of 2024 and the marked macroeconomic and geopolitical uncertainties of 2025.

Operating expenses totalled **361.2 million euros (+22.9%)**, up **67.2 million euros** attributable for approximately 38.3 million euros to the acquisition of Intermonte Group and for 13.4 million euros (3.6 million euros for 2024) to non-core items mainly attributable to Mediobanca's Public Voluntary Exchange Offer, the launch of new strategic projects and internal efficiency-building initiatives.

Core operating expenses amounted to **288.6 million euros** on a like-for-like basis, up 7.7% primarily as result of the acceleration of IT expenses linked to the implementation of the strategic Insurbanking, data platform and AI projects.

Operating efficiency indicators remained at excellent levels, even taking into account Intermonte Group's component: the ratio of **total costs to total assets** stood at 32 bps, up slightly compared to 28 bps for 2024; the **cost/income ratio**, adjusted for non-recurring items, grew to 39.0% compared to 35.4% for the previous year, or to 36.8% excluding Intermonte's contribution.

Provisions, contributions and charges related to the banking system and **net adjustments** amounted to **105.3 million euros**, down compared to **117.3 million euros** for 2024 (-12.0 million euros), chiefly as a result of the following factors:

- › the end of the initial period for the constitution of the deposit protection funds (-9.4 million euros);
- › the decline in other provisions (-10.0 million euros), mainly attributable to lower actuarial provisions for contractual indemnities and the previous year's one-off impact of the reactivation of the personnel rejuvenation provision (-8.8 million euros), partly offset by the increase in non-recurring provisions (+8.5 million euros);
- › higher charges for adjustments to non-performing loans (+5.2 million euros);
- › one-off charges associated with the future disposal of the equity investment in BG Saxo SIM (+2.4 million euros) and with the reorganisation of BG Aequitum (+0.4 million euros).

This aggregate changed as a result of non-recurring provisions and value adjustments amounting to a net **61.5 million euros** overall, up compared to **53 million euros** for the previous year, linked to commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid assets distributed by the Bank that were marked by investment repayment issue.

⁸ The aggregate of investment fees includes management fees and BG Personal Advisory (BGPA) advisory fees. This definition reflects the new approaches in terms of regulatory provisions.

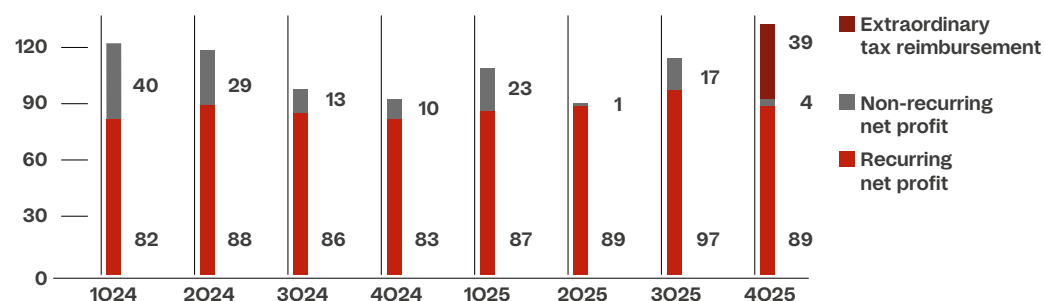
This item included **16.0 million euro** non-recurring value adjustments (15.7 million euros net of 0.3 million euro receivables for late payment interest) referring to the rights of recourse related to the enforcement of guarantees and of amounts receivable in relation to usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024.

The item **Extraordinary tax reimbursement** amounting to a net **39 million euros** refers to the refund of the IRAP tax paid in previous years following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 concerning the joined cases from C-92/24 to C-94/24 (so-called “Mediolanum Judgment”).

Profit before current taxes was **572.8 million euros**, up 3.1 million euros compared to the previous year (+0.5%).

Net of the aforementioned impact of extraordinary taxes, the **tax burden** for the year was **126.1 million euros**, with an overall tax rate of **23.6%**, down compared to **24.3%** for the previous year due to the lower IRAP paid following the introduction of the above-mentioned new regulatory framework, partly offset by a decline in the contribution of foreign entities.

QUARTERLY NET PROFIT (€ MILLION)



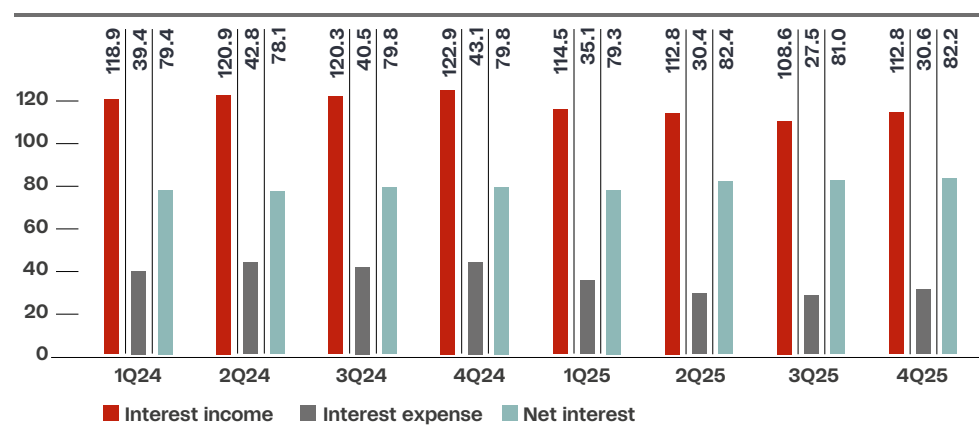
Quarterly evolution of the Profit and Loss Account

(€ THOUSAND)	4Q25	3Q25	2Q25	1Q25	4Q24	3Q24	2Q24	1Q24
Net interest income	82,231	81,042	82,400	79,341	79,760	79,807	78,092	79,447
Net income (loss) from trading activities and dividends	10,443	4,836	6,623	8,630	10,996	1,423	4,650	4,467
Net financial income	92,674	85,878	89,023	87,971	90,756	81,230	82,742	83,914
Recurring fee income	298,138	282,588	271,562	278,659	269,189	257,516	257,638	256,829
Fee expense	-156,135	-147,809	-146,553	-150,415	-146,407	-137,848	-142,292	-138,522
Net recurring fees	142,003	134,779	125,009	128,244	122,782	119,668	115,346	118,307
Variable fee income	43,046	29,283	8,048	34,388	44,195	28,207	39,561	54,424
Net fees	185,049	164,062	133,057	162,632	166,977	147,875	154,907	172,731
Net banking income	277,723	249,940	222,080	250,603	257,733	229,105	237,649	256,645
Staff expenses	-43,595	-40,490	-39,430	-40,992	-35,047	-34,714	-33,045	-32,191
Other general and administrative expenses	-54,836	-36,912	-33,809	-33,250	-43,996	-30,444	-28,901	-28,461
Net adjustments of property, equipment and intangible assets	-14,101	-11,668	-11,474	-11,023	-11,669	-10,440	-10,173	-9,861
Other operating income/expenses	3,871	888	2,944	2,643	7,193	1,685	3,792	2,256
Net operating expenses	-108,661	-88,182	-81,769	-82,622	-83,519	-73,913	-68,327	-68,257
Operating result	169,062	161,758	140,311	167,981	174,214	155,192	169,322	188,388
Net adjustments to non-performing loans	1,255	-42	-4,044	-581	913	151	-653	1,426
Net provisions	-48,679	-17,113	-11,390	-18,636	-56,777	-18,847	-11,546	-18,660
Contributions and charges related to the banking and insurance system	-1,565	-558	-557	-558	-525	-1,875	158	-10,350
Gains (losses) from equity investments and other assets	-2,245	-281	-169	-154	-652	-214	-43	151
Extraordinary tax reimbursement	39,049	-	-	-	-	-	-	-
Operating profit before taxation	156,877	143,764	124,151	148,052	117,173	134,407	157,238	160,955
Income taxes for the year	-25,459	-29,170	-34,069	-37,435	-24,560	-35,354	-39,646	-38,988
Net profit attributable to minority interests	183	136	225	322	-	-	-	-
Net profit	131,235	114,458	89,857	110,295	92,613	99,053	117,592	121,967

Net interest income

At the end of 2025, net interest income amounted to 325 million euros, slightly up compared to the previous year (+2.5%), thanks to the expansion of average trading volumes that allowed to offset declining interest rates, with no material impacts arising from the integration of Intermonte Group (-0.1 million euros).

NET INTEREST (€ MILLION)



NET INTEREST INCOME

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Financial assets measured at fair value through profit or loss	700	175	525	n.a.
Financial assets measured at fair value through other comprehensive income ^(*)	65,528	34,504	31,024	89.9%
Financial assets measured at amortised cost ^(*)	272,041	299,053	-27,012	-9.0%
Total financial assets	338,269	333,732	4,537	1.4%
Loans to banks	22,773	22,171	602	2.7%
Loans to the ECB and the Italian NCB	10,485	26,170	-15,685	-59.9%
Loans to customers	76,371	100,707	-24,336	-24.2%
Other assets	750	130	620	n.a.
Total interest income	448,648	482,910	-34,262	-7.1%
Due to banks	1,298	1,134	164	14.5%
Repurchase agreements – banks	8,440	8,342	98	1.2%
Due to customers	86,164	123,918	-37,754	-30.5%
Repurchase agreements – customers	24,712	28,331	-3,619	-12.8%
Hedging derivatives (macro FVH)	-685	865	-1,550	-179.2%
IFRS 16-related financial liabilities	3,705	3,214	491	15.3%
Total interest expense	123,634	165,804	-42,170	-25.4%
Net interest income	325,014	317,106	7,908	2.5%

(*) Including hedging differentials.

In particular, interest accrued on the debt securities portfolio remained substantially stable (+1.4%), thanks to a 12.5% expansion of average loan volumes, which offset the decline in yields in line with interest rates (-7.1%).

The average yield of the bond portfolio stood at just above 290 bps in the year, gradually decreasing compared to 330 bps at year-end 2024.

Interest on loans to customers, most of which are benchmarked on Euribor, decreased by 24.2% (-24.3 million euros) as a result of lower average interest rates on loans that declined from nearly 460 bps for the fourth quarter of 2024 to slightly less than 330 bps, against a more modest increase in average loan volumes (+6.5%).

With regard to exposures to banks, interest income fell by -15.0 million euros, largely due to transactions with the ECB, referring to overnight deposits and the minimum reserve (-60%)⁹, despite a significant rise in loan volumes to the banking system (+20.0%).

The cost of funding, net of IFRS 16-related charges, dropped from 169.0 million euros at the end of 2024 to 127.3 million euros (-24.7%), chiefly as a result of the decline in both interest accrued on customers' deposits and current accounts (-37.7 million euros; -30.5%), benchmarked on Euribor, and in interest on repurchase agreement transactions with banks and customers (-3.5 million euros; -9.6%).

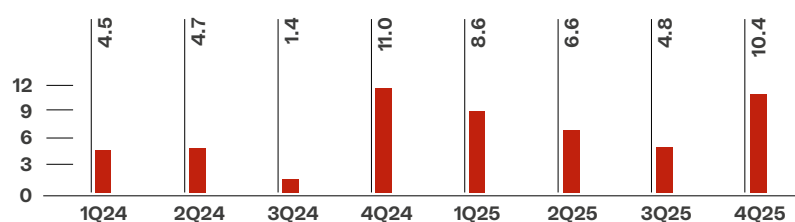
Overall, while average net inflows from banks and customers rose by 6.0%, the cost of funding declined by 243.5%, down from 130 bps at the end of the fourth quarter of 2024 to just above 90 bps at the end of 2025.

Net income from trading activities and dividends

Net income from trading activities and dividends is composed of the net income on financial assets and liabilities held for trading and other assets measured at fair value through profit or loss, realised gains and losses from the disposal of financial assets measured at fair value through other comprehensive income and financial assets measured at amortised cost, dividends and any gain or loss on hedging.

⁹ The Eurosystem's interest rate fell from 4% at year-start 2024 to 2% in force at 11 June 2025, with a 50% reduction on deposits, whereas no remuneration has been recognised on the minimum reserve as of 20 September 2023.

NET RESULT OF FINANCIAL OPERATIONS (€ MILLION)



At the end of 2025, this item was positive for 30.5 million euros, of which 16.1 million euros referring to Intermonte's trading activities focused on market making and trading on its own account.

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Dividends and income on equity securities and UCITS	5,139	1,309	3,830	n.a.
Trading of financial assets and equity derivatives	3,518	22	3,496	n.a.
Trading of financial assets and derivatives on debt securities and interest rates	2,819	125	2,694	n.a.
Trading of financial liabilities	2,747	-	2,747	n.a.
Trading of UCITS units	3,187	-13	3,200	n.a.
Securities transactions	12,271	134	12,137	n.a.
Currency and currency derivative transactions	8,487	8,016	471	5.9%
Net income (loss) from trading activities	20,758	8,150	12,608	154.7%
Equity securities and UCITS	-6,150	1,942	-8,092	n.a.
Debt securities	-65	110	-175	-159.1%
Financial Advisors' policies and other financial assets	429	407	22	5.4%
Net income (loss) on assets measured at fair value through profit and loss	-5,786	2,459	-8,245	n.a.
Net income (loss) from hedging	-52	-192	140	-72.9%
Gains (losses) on disposal of HTC and HTCS debt securities	10,473	9,810	663	6.8%
Net result of financial operations	30,532	21,536	8,996	41.8%

Net income from **trading activities** amounted to 20.8 million euros, as a consequence of the above-mentioned Intermonte's contribution and, to a lower extent, of the higher contribution of currency transactions.

Net income of assets mandatorily measured at fair value through profit or loss contributed a negative 5.8 million euros, markedly reversing the trend of the same period of 2024 (+2.5 million euros), chiefly attributable to the fair value valuation of the important investment in the Forward Fund, which recorded -6.3 million euro capital losses in 2025 compared to 2.3 million euro capital gains in 2024.

The treasury management of debt securities allocated to the HTCS and HTC portfolios recorded 10.5 million euro **gains on disposals** in the year, three fourths of which attributable to the turnover of the HTC portfolio.

Fee income

Fee income totalled **1,245.7 million euros**, slightly up compared to 2024 (+3.2%), thanks to the good increase in **recurring fees** (+89.8 million euros; +8.6%), which offset the sharp decline in **variable fees** (-51.6 million euros; -31.0%), hindered by market volatility.

In this regard, Intermonte Group's contribution to the recurring fee aggregate in 2025 amounted to approximately 31.2 million euros, mostly referring to other banking services (trading and advisory services).

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Management fees	921,453	869,382	52,071	6.0%
BGPA advisory fees	54,823	50,981	3,842	7.5%
Recurring investment fees	976,276	920,363	55,913	6.1%
Underwriting fees	50,421	48,457	1,964	4.1%
Fees for other services	104,250	72,352	31,898	44.1%
Other recurring fees	154,671	120,809	33,862	28.0%
Total recurring fees	1,130,947	1,041,172	89,775	8.6%
Performance fees	114,765	166,387	-51,622	-31.0%
Total fee income	1,245,712	1,207,559	38,153	3.2%

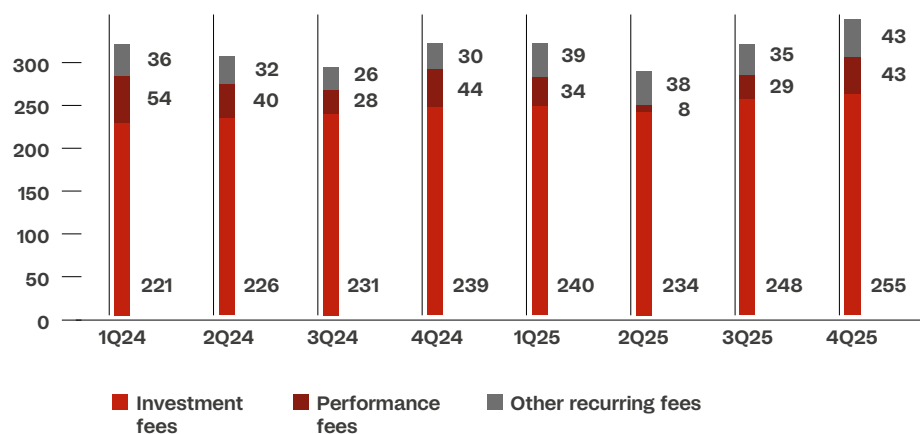
The aggregate of **investment fees** included both management fees¹⁰ and BG Personal Advisory (BGPA) advisory fees and amounted to **976.3 million euros**, up compared to the previous year (+6.1%), thanks to the increase in management fees (+52.1 million euros; +6.0%). The latter benefited from the rise in average assets managed compared to the 2024 (+8.6%¹¹).

Income from BG Personal Advisory (BGPA) advisory fees amounted to **50.4 million euros (+4.1%)** thanks to the increase in assets under advanced advisory, which totalled **12.0 billion euros** overall (+11.1% compared to 2024), accounting for 10.6% of total client assets.

Underwriting fees showed the first signs of a modest recovery (+4.1%), mainly driven by the placement of government and private debt securities (+3.5 million euros) and of **certificates** (+2.2 million euros), which offset the persistent weak performance of the placement of UCITS (-1.7 million euros) and of portfolio management solutions.

Fees for other services, of a banking and financial nature, net of BGPA advisory fees, grew by 44.1%, also thanks to the above-mentioned Intermonte's contribution.

BREAKDOWN OF FEE INCOME (€ MILLION)



Fee income from the solicitation of investment and asset management reached **1,086.6 million euros** and, net of the aforementioned decline in the non-recurring component, recorded a positive performance compared to the previous year (+5.9%).

¹⁰ The aggregate includes 9.5 million euros (9.4 million euros in 2024) for management fees related to institutional portfolio management in service of assets underlying the technical provisions of hybrid insurance policies of the Alleanza and Toro insurance companies, previously accounted for under other banking services. This restatement aimed at reflecting the evolution of the advisory service provided into a portfolio management service, as part of the new strategic partnership agreements entered into in April 2025 with the Italian insurance companies of Generali Group.

¹¹ Data referring to the yearly change in average total client assets related to managed solutions, including Swiss assets, institutional insurance portfolio management and assets managed directly by BGFML.

ASSET MANAGEMENT FEE INCOME

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
1. Collective portfolio management	489,022	517,359	-28,337	-5.5%
2. Individual portfolio management	149,685	131,445	18,240	13.9%
3. Institutional insurance portfolio management	9,519	9,600	-81	-0.8%
Fees for portfolio management	648,226	658,404	-10,178	-1.5%
1. Placement of UCITS	148,101	148,689	-588	-0.4%
<i>of which: UCITS promoted by the Group</i>	8,834	8,897	-63	-0.7%
2. Placement of bonds and equity securities	38,552	33,703	4,849	14.4%
<i>of which: certificates</i>	30,869	28,683	2,186	7.6%
3. Distribution of third-party portfolio management products (GPM/GPF, pension funds)	2,164	1,704	460	27.0%
4. Distribution of third-party insurance products	249,167	241,286	7,881	3.3%
5. Distribution of other third-party financial products	429	439	-10	-2.3%
Fees for the placement and distribution of financial services	438,413	425,821	12,592	3.0%
Asset management fee income	1,086,639	1,084,225	2,414	0.2%

With reference to the **Sicavs** promoted by the Banking Group, **management fees** — net of the effect of non-recurring performance components — grew by 4.6%, mainly as a result of the increase in average assets managed compared to 2024 (+7.3%).

Overall, at the end of the year, assets managed by BGFML amounted to 25.3 billion euros, of which 13.2 billion euros referring to placements with retail customers, and increased by 8.7% compared to the end of 2024.

The **individual portfolio management** aggregate, net of insurance management products, continued to report excellent results in terms of both net inflows and profitability, with income increasing by 13.8% driven by a 16.2% rise in average assets compared to 2024.

In 2025, the **placement of third-party UCITS** proved substantially resilient, both in terms of fee income (-0.4%) and assets managed, whereas the placement of bonds and certificates accelerated sharply in the fourth quarter of the year (+14.4%).

Fee income from the **distribution of insurance products** also recovered compared to the previous year (+3.3%), thanks to the good performance of average total assets (+7.1%), but continued to be penalised by the significant incidence of low-profit traditional products.

Fee income for other banking and financial services, net of BGPA advisory fees, stood at 104.2 million euros, mainly owing to the contribution of the activities of Intermonte operations (30.4 million euros), consisting of fees for trading (14.1 million euros) and advisory fees (16.3 million euros).

FEE INCOME FOR OTHER SERVICES

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Fees for advisory on investments and on Intermonte's financial structure	16,312	-	16,312	n.a.
Other advisory fees	86	76	10	13.2%
Fees for trading of securities and custody	75,072	57,747	17,325	30.0%
Fees for collection and payment services	3,476	4,015	-539	-13.4%
Fee income and account-keeping expenses	3,643	5,264	-1,621	-30.8%
Fees for other services	5,661	5,250	411	7.8%
Fees for banking services	159,073	123,333	35,740	29.0%
Total fee income for other services	104,250	72,352	31,898	44.1%

Fee expense

Fee expense, including fee provisions¹², amounted to 600.9 million euros, up 35.8 million euros compared to the end of 2024 (+6.3%), of which approximately 2.6 million euros attributable to the acquisition of Intermonte Group.

Net of fees paid back on net interest income¹³, the Bank's ratio of total payout to total fee income (net of performance fees) was 52.3%, in line with 52.9% at the end of 2024.

FEE EXPENSE

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Ordinary payout	376,462	359,076	17,386	4.8%
Extraordinary payout	124,576	108,410	16,166	14.9%
Other network maintenance expenses	32,385	33,809	-1,424	-4.2%
Fee expense for off-premises offer	533,423	501,295	32,128	6.4%
Fees for portfolio management	40,332	39,279	1,053	2.7%
Other fee expense	27,157	24,495	2,662	10.9%
Total	600,912	565,069	35,843	6.3%

Fee expense for off-premises offer paid to the BG Network amounted to 533.4 million euros (+6.4%).

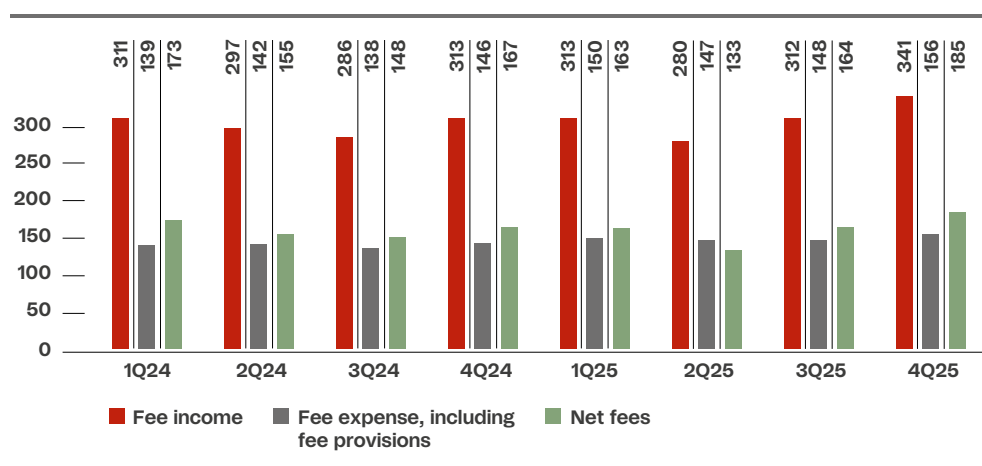
The increase in ordinary payout (+17.4 million euros; +4.8%) was driven by management fees (+16.0 million euros; +6.1%) and fees for other services (+5.5 million euros; +11.5%), which included fees for trading and advisory fees, but was penalised by the decline in underwriting fees (-4.8 million euros).

The increase of the extraordinary payout (+16.2 million euros; +14.9%) was instead attributable to the remuneration of the recruitment activity (+8.0 million euros; +16.7%) and to organic growth (+7.1 million euros; +12.7%).

Fees for portfolio management stood at 40.3 million euros and mostly referred to administration and third-party management fees incurred by the Group's management company for the management of the Sicavs under administration.

Other **fee expense for other banking and financial services** totalled 27.2 million euros, mainly including fee expense for custody and trading and fees for collection and payment services.

QUARTERLY NET FEES (€ MILLION)



¹² For the purpose of a better understanding of operating performance, in the reclassified consolidated Profit and Loss Account the provisions for incentives related to sales and recruitment plans have been reclassified within the net fee aggregate. As a result, net provisions were restated net of these items for an amount of 19.3 million euros for 2025 and of 15.7 million euros for 2024.

¹³ The numerator of the total payout ratio does not include 9.4 million euro fee expense that was paid back to the BG Network, calculated on the basis of net interest income (14.8 million euros at the end of 2024). At 31 December 2025, the ratio of said fees to net interest income was 2.9%.

Operating expenses

Operating expenses totalled **361.2 million euros** (+22.9% on an annual basis), up **67.2 million euros** attributable for approximately 38.3 million euros to the acquisition of Intermonte Group and for 13.4 million euros (3.6 million euros for 2024) to non-core items mainly attributable to Mediobanca's Public Voluntary Exchange Offer, the launch of new strategic projects and internal efficiency-building initiatives.

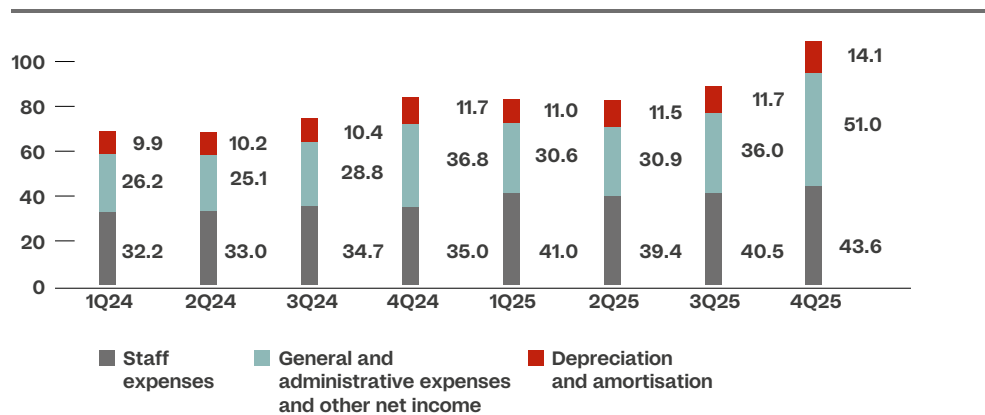
Net of these items, **core operating expenses**¹⁴ amounted to **288.6 million euros on a like-for-like basis**, up 7.7% mainly as a result of the acceleration of IT expenses linked to the implementation of the strategic Insurbanking and AI projects.

Operating efficiency indicators remained at excellent levels, even taking into account Intermonte Group's component: the ratio of **total costs to total assets** stood at 32 bps, up slightly compared to 28 bps for 2024; the **cost/income ratio**, adjusted for non-recurring items, grew to 39.9% compared to 35.4% for the previous year, or to 36.8% excluding Intermonte's contribution.

OPERATING EXPENSES

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Staff expenses	164,507	134,997	29,510	21.9%
General and administrative expenses and other net income	148,461	116,876	31,585	27.0%
Net adjustments of property, equipment and intangible assets	48,266	42,143	6,123	14.5%
Operating expenses	361,234	294,016	67,218	22.9%

OPERATING EXPENSES STRUCTURE (€ MILLION)



Within this aggregate, **staff expenses**, including employees, interim staff and directors, reached **164.5 million euros**, up 29.5 million euros (+21.9%), mostly attributable to Intermonte Group (25.0 million euros).

Net of the amount attributable to Intermonte Group, the change in staff expenses compared to 2024 would have been 3.3%, showing a modest increase in both the ordinary component (+4.7%) and the variable component (+0.9%).

¹⁴ Operating expenses, net of items associated with Intermonte Group (26.3 million euros), of non-recurring items amounting to 6.8 million euros (4.8 million euros in 2024), and of costs related to sales personnel, including BG Suisse's sales personnel, amounting to 15.6 million euros (16.9 million euros in 2024). This aggregate also included 11.1 million euro charges generated by the start of operations of BG Suisse (8.9 million euros in 2024), net of which the growth of core expenses would have decreased to 7.6%.

STAFF EXPENSES

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
1) Employees	160,975	132,771	28,204	21.2%
Ordinary remuneration	118,680	97,303	21,377	22.0%
Variable remuneration and incentives	32,289	25,907	6,382	24.6%
Other employee benefits	10,006	7,933	2,073	26.1%
Redundancy incentives	-	1,628	-1,628	-100.0%
2) Other staff	607	25	582	n.a.
3) Directors and Auditors	2,925	2,201	724	32.9%
Total	164,507	134,997	29,510	21.9%

The Group's employees totalled 1,313 at the end of the year, 209 more compared to 2024 (+18.9%), of which 151 belonging to Intermonte Group.

EMPLOYEES

	2025	2024	CHANGE		WEIGHTED AVERAGE ^(*)	
			NUMBER	%	2025	2024
Managers	102	78	24	30.8%	96	78
Executives	476	396	80	20.2%	455	381
Employees at other levels	735	630	105	16.7%	678	610
Total	1,313	1,104	209	18.9%	1,229	1,069

(*) Quarterly weighted average, with part-time employees considered at 50% by convention.

Other general and administrative expenses and other net income totalled 148.5 million euros, with a 31.6 million euro increase compared to the previous year, which was also mostly attributable to the above-mentioned Intermonte's contribution (10.2 million euros) and to higher costs for the IT infrastructure (+6.9 million euros).

Net provisions

Net provisions not related to fees¹⁵ amounted to **95.8 million euros**, down 10.0 million euros compared to the previous year, mainly attributable to lower actuarial provisions for contractual indemnities and the previous year's one-off impact of the reactivation of the personnel rejuvenation provision, partly offset by the increase in non-recurring provisions.

NET PROVISIONS

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Provision for staff liabilities and contingencies	3,553	2,404	1,149	47.8%
Restructuring provisions – Voluntary redundancy plan	-	8,800	-8,800	-100.0%
Provision for legal disputes	7,630	6,111	1,519	24.9%
Provision for contractual indemnities to the BG Network	19,594	31,017	-11,423	-36.8%
Provision for tax and contribution disputes	523	145	378	n.a.
Other provisions for liabilities and contingencies	64,518	57,353	7,165	12.5%
<i>of which:</i>				
– non-recurring value adjustments on POCI positions	16,027	-	16,027	n.a.
– provisions for risks relating to guarantees issued and commitments	43,283	11,605	31,678	n.a.
Total	95,818	105,830	-10,012	-9.5%

¹⁵ Fee provisions, which amounted to 19.3 million euros (15.7 million euros in 2024), are recognised under the fee expense aggregate. The aggregate included 16.0 million euros referring to non-recurring value adjustments to the rights of recourse related to the enforcement of guarantees issued with regard to commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank and to amounts receivable in relation to usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024.

In detail, provisions for contractual indemnities to the BG Network (-11.4 million euros) included actuarial provisions amounting to 10.9 million euros, down compared to the previous year (-11.4 million euros), as a result of the combined effect of:

- › the evolution of the demographic bases contained the new regulatory framework adopted by the FIRR retirement bonus fund (-3.9 million euros)¹⁶;
- › the change in discount rates used to evaluate such effects (-5.0 million euros, calculated as the difference between the higher charge of 0.4 million euros recognised in 2025 against a growth of 5.4 million euros for the previous year)¹⁷;
- › the decrease in fee bases and other factor for the remainder (-2.6 million euros).

This item also included the greater impact of the three-year incentive plan, with charges amounting to 8.7 million euros, in line with the previous year (8.7 million euros)¹⁸.

The provisions for other liabilities and contingencies included non-recurring provisions and value adjustments amounting to a net **61.5 million euros overall**, up compared to 53 million euros for the previous year, made to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues. In detail, **45.5 million euro** provisions referred to the commercial initiatives for customers, including guarantees issued. Adjustments included **16.0 million euros** (15.7 million euros net of 0.3 million euro receivables for late payment interest) referring to value adjustments to the rights of recourse related to the enforcement of guarantees and of amounts receivable in relation to usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024 (4.8 million euros).

Adjustments

At the end of 2025, **net adjustments to non-performing loans**¹⁹ amounted to 3.4 million euros compared to net reversals of 1.8 million euros for 2024, with an overall negative impact of 5.2 million euros compared to the previous year, mainly attributable to specific adjustments to non-performing loans to customers.

NET ADJUSTMENTS FOR CREDIT RISK

(€ THOUSAND)	ADJUSTMENTS	REVERSALS	2025	2024	CHANGE
Specific adjustments/reversals	-4,544	1,352	-3,192	-651	-2,541
Non-performing loans of the banking book	-4,039	1,313	-2,726	-387	-2,339
Operating loans to customers	-505	39	-466	-268	-198
Portfolio adjustments/reversals	-1,001	781	-220	2,488	-2,708
Performing debt securities	-917	690	-227	-34	-193
Performing loans to customers and banks	-84	91	7	2,522	-2,515
Total	-5,545	2,133	-3,412	1,837	-5,249

¹⁶ Reference is made in particular to the new turnover rates, seniority increases and life tables, updated to the new SIM24 edition. The actuarial valuation also incorporated the effects of the new FIRR framework as amended by the relevant National Collective Labour Agreement (CCNL), which increased the contributions that are borne by the principal and that shall be deducted from the termination indemnity due upon termination of the relationship.

¹⁷ The discount rate applied to actuarial provisions is determined on the basis of the annual average EURIRS rates applicable to the average life of the population, increased by the spread between the ten-year BTP and ten-year EURIRS. The decrease in the discount rate used therefore reflected the change in average interest rates and government bond spreads in the period March 2025 – December 2025 (3.66%) compared to the previous measurement for the period March 2024 – December 2024 (3.69%) used for the valuation of actuarial provisions at 31 December 2024. It should be noted that the discount rate used for the valuation at 31 December 2023 had been 4.26%.

¹⁸ The fees accruing on the three-year incentive plan are tied to net inflow targets, and therefore qualify as costs of obtaining a contract pursuant to IFRS 15 and are expensed over a five-year period, like other similar incentives granted to the BG Network. The provision recognised in the Profit and Loss Account thus represents the portion of the overall incentives assigned to the BG Network accrued in the twelve months of the year.

¹⁹ The 16.0 million euros adjustments to the rights of recourse related to the enforcement of guarantees issued with regard to commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank and to amounts receivable in relation to usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024 have been reclassified among provisions for liabilities and contingencies in light of their non-recurring nature and to provide a uniform economic representation of this event.

Provisions for expected credit losses (ECLs) on the portfolio of debt securities amounted to 0.2 million euros, chiefly as a result of the higher volumes of the HTCS portfolio, offset by an overall decline in the risk profiles.

No significant amounts were recognised under provisions for expected credit losses on performing loans to customers and banks (Stage 1 and Stage 2), which declined sharply compared to the previous year, as a result of the changed macroeconomic scenario and the update of the parameters used (default rates, consortium transition matrices).

Net specific adjustments to non-performing loans amounted to just below 4.5 million euros overall and referred to 2.7 million euros to the banking book, mainly due to the increase in adjustments to bad loans (+1.0 million euros) and to past-due or expired positions (+1.5 million euros).

Contributions and charges related to the banking and insurance system

The initial period for the constitution of the deposit protection funds ended on 31 December 2023 for the Single Resolution Fund (SRF) and on 2 July 2024 for the Italian Interbank Deposit Protection Fund (FITD).

However, at the end of the fourth quarter of 2025, the Italian Interbank Deposit Protection Fund (FITD) called in for ordinary and additional contributions amounting to 100 million euros to be allocated partly to cover the payment of fees for the credit line granted by a pool of financing banks and partly to the financial endowment, also in light of the performance of protected deposits. Banca Generali's contributions amounted to 0.8 million euros.

In addition, this item also included an estimate of the ordinary contributions due to the Guarantee Fund for the Life Insurance Sector, established in 2024, for an amount of 2.4 million euros.

Extraordinary tax reimbursement

The item **extraordinary taxes** amounting to a net **39 million euros** referred to the refund of the IRAP tax paid in prior years following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 concerning the joined cases from C-92/24 to C-94/24 (so-called "Mediolanum Judgment").

It bears recalling that said Judgment acknowledged the incompatibility with EU law of the Italian law that provides for the inclusion in the basis of assessment for IRAP tax of amounts corresponding to 50% of the dividends received by the parent companies from subsidiaries resident in other Member States, in that it is contrary to Directive 2011/96/EU (Parent-Subsidiary Directive), which does not allow to levy tax on more than 5% of the amount of said dividends²⁰.

Italian 2026 Budget Law (Law No. 199/2025) incorporated the principles laid down by the Judgment, thus reducing — with effect as of the 2025 fiscal year — from 50% to 5% the taxable portion of intragroup dividends and recognising the right to receive the reimbursement of the higher IRAP paid in prior years, in accordance with the terms set forth by the legislation in force, while also acknowledging the validity of all applications submitted before 31 December 2025.

On the basis of the new regulatory and case-law framework, the Company recognised its tax receivables from Tax Authorities as follows:

- › taking exclusively into account the reimbursement applications to which, based on the Italian Tax Authority's approach, no objection of timelessness applied, namely regarding 2017-2024 fiscal years; in a prudent perspective, no tax receivables were recognised with regard to the applications concerning prior fiscal years, the recovery of which would currently require the initiation of tax litigation;
- › adjusting the amount of the receivables due within the limit allowed by the Budget Law (45% instead of 50% recognised by the EU Court).

²⁰ Pursuant to the Italian tax law previously in force, 5% of these dividends had to be included in the basis of assessment for the IRES tax and 50% had to be included in the basis of assessment for the IRAP tax. Following the amendments introduced by the Budget Law, taxes may now only be levied on 5% of these dividends for both taxes.

Total receivables from Tax Authorities amounted to **37.6 million euros** at 31 December 2025, to which **2.2 million euros** interest income was added for late reimbursement, subject to an IRES/IRAP taxation of **-0.7 million euros**. The net impact recognised in the Profit and Loss Account was thus **39 million euros**.

With reference to 2025, the above-mentioned regulatory framework led to a **5.6 million euro** decline in the IRAP tax due.

Current income taxes

Net of the aforementioned impact of extraordinary taxes, the **tax burden** for the year was **126.1 million euros**, with an overall tax rate of **23.6%**, down compared to **24.2%** for the previous year due to the lower IRAP paid following the introduction of the above-mentioned new regulatory framework, partly offset by a decline in the contribution of foreign entities.

INCOME TAXES

	2025	2024	CHANGE	
			AMOUNT	%
Current taxes for the year	-129,799	-152,955	23,156	-15.1%
Prior years' taxes	3,338	1,228	2,110	171.8%
Changes of prepaid taxation (+/-)	100	15,035	-14,935	-99.0%
Changes of deferred taxation (+/-)	228	-1,856	2,084	-112.0%
Total	-126,133	-138,548	12,415	-9.0%

Earnings per share

At year-end 2025, basic net earnings per share were 3.91 euros.

	2025	2024	CHANGE	
			AMOUNT	%
Consolidated net profit (€ thousand)	445,845	431,225	14,620	3.4%
Earnings attributable to ordinary shares (€ thousand)	445,845	431,225	14,620	3.4%
Average number of outstanding shares (thousand)	114,064	114,008	57	0.0%
EPS – Earnings per share (euros)	3.91	3.782	0.13	3.3%
Average number of outstanding shares after dilution	114,064	114,008	57	0.0%
EPS – Diluted earnings per share (euros)	3.91	3.782	0.13	3.3%

Comprehensive income

The Banking Group's comprehensive income is determined by the consolidated net profit and all other components that contribute to company performance without being reflected in the Profit and Loss Account, such as changes in valuation reserves for securities measured at fair value through other comprehensive income.

At the end of 2025, the latter component provided an overall negative contribution of 2.2 million euros, against a net positive change of 9.0 million euros recorded at the end of the previous year, mainly attributable to the decrease in the HTCS debt securities portfolio valuation reserves and in cash flow hedge reserves (-2.4 million euros), partly offset by the performance of actuarial provisions on defined benefit plans (+1.3 million euros) and translation reserves regarding net foreign investments in CHF and due to the appreciation of this currency (+0.7 million euros).

The increase in the OCI negative reserve on equity securities (-3.2 million euros) was mainly attributable to the disposal of the Mainstreet equity investment.

COMPREHENSIVE INCOME ATTRIBUTABLE TO THE GROUP

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Net profit	446,711	431,225	15,486	3.6%
Other income, net of taxes:				
With transfer to Profit and Loss Account:				
Exchange differences	752	-526	1,278	-243.0%
Financial assets measured at fair value through other comprehensive income	-2,999	5,658	-8,657	-153.0%
Cash-flow hedges	-2,424	4,703	-7,127	-151.5%
Without transfer to Profit and Loss Account:				
Financial assets measured at fair value through other comprehensive income	-3,153	-103	-3,050	n.a.
Actuarial gains (losses) from defined benefit plans	1,336	-776	2,112	-272.2%
Total other income, net of taxes	-2,179	8,956	-15,444	-124.3%
Comprehensive income	444,532	440,181	4,351	1.0%
Consolidated comprehensive income attributable to minority interests	866	-213	1,079	n.a.
Consolidated comprehensive income attributable to the Group	443,666	440,394	3,271	0.7%

Results by line of business

In application of IFRS 8, Banca Generali Group's segment reporting is based on information that management used in the year to make its operating decisions²¹.

In January 2024, a reorganisation of the BG Network for commercial purposes was launched entailing:

- › the separation of the new Senior Partner Network, consisting of Financial Advisors with assets under management of more than 150 million euros and teams with assets under management of more than 350 million euros;
- › the incorporation of the Private Banking and Wealth Management Networks into the new Private & Wealth Network, within the framework of which the organisational structures of the former networks retained their peculiarities, under the supervision of a new top management position, the Network Sales Manager, focused on local coordination and commercial guidance of the various network's Area Managers.

The **Private Banking CGU (PB CGU)** consists of the assets attributable to the other networks of Financial Advisors (Private Bankers, Wealth Managers and Financial Planners), and to the network of Relationship Manager and their customers, in addition to assets held in Switzerland.

The **Senior Partner CGU (SP CGU)** consists of the assets attributable to Financial Advisors of the BG Network managing AUM of more than 150 million euros and teams with assets under management exceeding 350 million euros.

In light of the business nature, the Group assessed the performance of its operating segments on the basis of the performance of the net banking income attributable to such segments.

The financial aggregates presented for each segment therefore consist of net interest, net fees and income from trading activities and dividends. They include both components arising from transactions with third parties external to the Group ("external revenues"), and those deriving from transactions with other segments ("internal revenues").

The interest expense incurred by the segments mentioned below was determined on the basis of the actual interest paid on each segment's direct net inflows. The segments' interest income includes the actual interest accrued on the loans issued to customers in each segment. Both components are recognised net of the portion of the "notional interest" calculated on the basis of the LTP (Liquidity Transfer Pricing) and attributed to the Corporate Center segment.

Performance fees were directly allocated to the business areas that placed the products. All the revenue components presented were measured using the same accounting standards adopted to prepare the Group's Consolidated Financial Statements so that segment data can be reconciled more easily with consolidated data.

The following table shows the consolidated profit and loss results of each of the three operating segments, stated net of intra-segment eliminations. For the purpose of a better understanding of the economic data reported below, it is worth recalling that changes also reflect the reallocations among CGUs performed in the year.

²¹ Management approach

BANCA GENERALI GROUP – PROFIT AND LOSS ACCOUNT BY BUSINESS SEGMENT

PROFIT AND LOSS ACCOUNT BY BUSINESS SEGMENT	PB CGU	SP CGU	CORPORATE CENTER	TOTAL	PB CGU	SP CGU	CORPORATE CENTER	TOTAL
Net interest income	180,304	23,354	121,356	325,014	268,004	34,578	14,524	317,106
Fee income	990,355	162,525	92,832	1,245,712	990,003	154,832	62,724	1,207,559
of which: underwriting	43,938	9,680	-3,197	50,422	44,969	7,044	-3,557	48,457
of which: management	752,128	116,629	52,703	921,461	708,581	106,555	44,646	859,782
of which: performance	94,920	12,233	7,612	114,765	141,343	18,299	6,745	166,387
of which: other	99,368	23,983	35,714	159,065	95,109	22,934	14,890	132,933
Fee expense	-485,531	-100,840	-14,541	-600,912	-461,293	-88,858	-14,918	-565,068
of which: incentives	-15,084	-4,182	-	-19,266	-12,223	-3,492	-	-15,715
Net fees	504,824	61,686	78,291	644,801	528,710	65,974	47,806	642,490
Net income (loss) from trading activities and dividends	62	-	30,470	30,531	14	-	21,522	21,536
Net banking income	685,189	85,040	230,117	1,000,346	796,727	100,552	83,853	981,132
Staff expenses				-164,507				-134,997
Other general and administrative expenses				-291,739				-263,435
Adjustments of property, equipment and intangible assets				-48,267				-42,144
Other operating expenses/income				140,040				133,967
Net operating expenses				-364,473				-306,609
Operating result				635,872				674,524
Adjustments of other assets				-19,868				1,837
Net provisions				-79,788				-105,830
Gains (losses) from investments and equity investments				-2,422				-758
Operating profit before taxation				533,794				569,774
Income taxes – operating activities				-87,083				-138,549
Profit (loss) from HFS assets								
Net profit (loss) for the year attributable to minority interests				866				-
Net profit				445,845				431,225

Private Banking CGU

PB CGU

	31.12.2025	31.12.2024	CHANGE
Net interest income	180,304	268,004	-32.72%
Net fees	504,824	528,710	-4.52%
Net banking income	685,189	796,727	-14.00%
AUM	92,701	85,504	8.42%
Net inflows	5,388	5,520	-2.38%
Financial Advisors	2,303	2,263	1.77%
AUM/FA	40.25	37.78	6.53%
Net inflows/FA	2.34	2.44	-4.07%

At 31 December 2025, this CGU's total assets amounted to 92.7 billion euros, up about 7.2 billion euros (+8.4%) compared to the previous year. This result was attributable to the positive performance of financial markets, which generated an increase of approximately 1.8 billion euros in total assets, in addition to positive net inflows of about 5.4 billion euros, substantially in line with the previous year. The growth of Private Banking total assets also drove an increase in PB CGU Financial Advisors' average portfolio, which stood at 40.3 million euros (+6.5%).

In 2025, this CGU's net banking income was 685.2 million euros (796.7 million euros in 2024). This result was attributable to the following factors:

- › net interest income declined compared to 31 December 2024 as a result of the LTP curve dynamics, chiefly with regard to net inflows;
- › net fees amounted to 504.8 million euros, down by approximately 24 million euros compared to 31 December 2024. This result was mainly attributable to the lower extraordinary contribution of performance fees in 2025 (-46 million euros). Said decrease was offset by the increase in other recurring fees, chiefly management fees. Compared to 2024, fee expense grew less than proportionally to fee income, excluding performance fees.

The CGU accounted for 68% of overall net banking income.

Senior Partner CGU

SP CGU

	31.12.2025	31.12.2024	CHANGE
Net interest income	23,354	34,578	-32.46%
Net fees	61,686	65,974	-6.50%
Net banking income	85,040	100,552	-15.43%
AUM	19,808	17,508	13.13%
Net inflows	1,452	1,128	28.73%
Financial Advisors	115	103	11.65%
AUM/FA	172.24	169.99	1.33%
Net inflows/FA	12.63	10.95	15.29%

At 31 December 2025, total assets of the SP CGU amounted to 19.8 billion euros, up by approximately 2.3 billion euros compared to 2024 (17.5 billion euros). The SP CGU's increase was driven by the market performance for approximately 0.8 billion euros and by net inflows for about 1.5 billion euros. Moreover, thanks to these trends the average portfolio per Financial Advisor rose to approximately 172.2 million euros.

In 2025, this CGU's net banking income was 85.0 million euros (100.6 million euros in 2024). Net interest income declined as a result of the LTP curve dynamics, chiefly with regard to net inflows. Net fees declined slightly, primarily due to the reduction of performance fees (-6 million euros). This result was offset by an increase of other recurring fees, mainly management fees (+10.1 million euros).

The SP CGU accounted for 9% of overall net banking income, essentially in line with the previous year (10% in 2024).

Corporate Center CGU

CORPORATE CENTER

	31.12.2025	31.12.2024	CHANGE
Net interest income	121,356	14,524	735.57%
Net fees	78,291	47,806	63.77%
Net income (loss) from trading activities and dividends	30,470	21,522	41.57%
Net banking income	230,117	83,853	174.43%
AUM	8,322	7,426	12.06%
Net inflows	n.a.	n.a.	n.a.
Financial Advisors	n.a.	n.a.	n.a.

At 31 December 2025, total assets of the Corporate Center CGU amounted to 8.3 billion euros (7.4 billion euros at 31 December 2024). In 2025, the Corporate channel's net banking income reached 230.1 million euros (83.9 million euros in 2024), significantly increasing as a result of:

- › a positive result in terms of net interest income, which recorded a sharp increase compared to 2024, offsetting the decline shown by the other CGUs due to the LTP curve;
- › net income (loss) from trading activities and dividends at about 30 million euros, up compared to the previous year due to Intermonte's contribution of approximately 16.1 million euros;
- › a 78.3 million euro increase in net fees at 31 December 2025 (47.8 million euros at 31 December 2024), attributable to higher management and performance fees, and Intermonte's contribution (approximately 28.6 million euros).

Accordingly, the CGU's weight on overall net banking income was 23% (9% in 2024).

Creation and Distribution of Value Added

The creation of value for all its stakeholders is one of Banca Generali's key objectives.

Most of the economic value generated is distributed to the various stakeholders with which Banca Generali comes into contact in the course of its day-to-day operations, including Shareholders, Suppliers, Financial Advisors, Employees, the Government and, finally, the communities and the environment.

The economic value retained, calculated as the difference between the economic value generated and economic value distributed, represents the set of resources intended for productive investments aimed to permit economic growth and financial stability, as well as to ensure the creation of new wealth for the benefit of stakeholders.

The economic value generated and distributed was analysed by determining the value added, calculated by restating the items of the 2025 Consolidated Profit and Loss Account on the basis of the guidelines issued by ABI (Italian Banking Association).

The economic value generated is equal to the difference between total revenues and total costs for the purchase of goods and services, less the portion of costs incurred for the benefit of the various categories of stakeholders.

Therefore, the economic value distributed includes charges in support of the banking system, inclusive of contributions to the Italian Interbank Deposit Protection Fund (FITD) and the Guarantee Fund for the Life Insurance Sector amounting to 3.2 million euros and recognised, upon distribution of value added, according to the view that they are a form of taxation.

During the distribution process, net provisions for incentives and indemnities for the BG network, recoveries of expenses and indemnities charged to Financial Advisors and net provisions for staff were classified in the respective stakeholder category.

In 2025, the economic value generated by the Group's overall operations reached 1,639.9 million euros, up 2.1% compared to the previous year.

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Economic value generated	1,639,886	1,605,624	34,262	2.1%
Economic value distributed	1,425,491	1,408,252	17,239	1.2%
Employees, collaborators and Financial Advisors	706,605	665,905	40,700	6.1%
Suppliers	151,459	125,995	25,464	20.2%
Shareholders and third parties	339,736	327,185	12,551	3.8%
Government, entities, institutions and communities	227,691	289,167	-61,476	-21.3%
Economic value retained	214,395	197,372	17,023	8.6%

This value was distributed to stakeholders as follows:

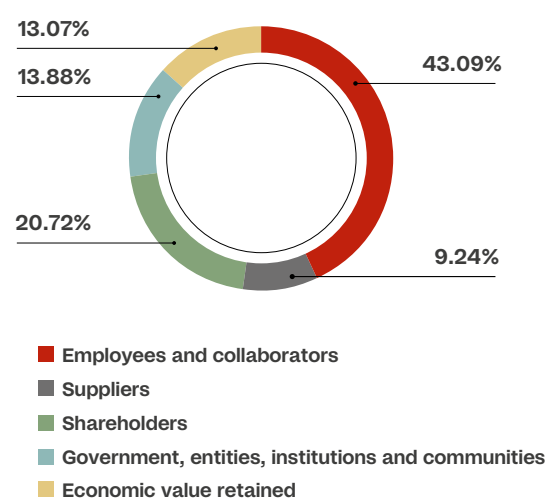
- › **Employees and collaborators**, including **Financial Advisors**, benefited from approximately **43.1%** of the economic value generated, in the total amount of about 706.6 million euros (up 6.1% compared to the previous year). In detail, human resources benefited from 167.1 million euros (+15.3% on 2024) and Financial Advisors from 539.5 million euros (+3.6% compared to the previous year), inclusive of net provisions for incentives, recruitment plans and other contractual indemnities amounting to 38.9 million euros;
- › **Shareholders** received **20.7%** of the economic value generated, due to payment of a dividend of 2.90 euros per share, with a 76.0% payout ratio calculated on 2025 consolidated net profit;
- › **Suppliers** benefited from **9.2%** or approximately 151.5 million euros of the economic value generated, up compared to 7.9% in 2024;
- › the **Italian Government, institutions and communities** received **13.9%** of the economic value generated, amounting to approximately 227.7 million euros, down compared to the previous year (-21.3%); this aggregate also includes the charges in support of the banking system, the stamp duty on current accounts and financial instruments and, as regards financial year 2025, an extraordinary tax reimbursement in the net amount of 39 million euros referring to the refund of the IRAP tax paid in prior years following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 concerning the joined cases from C-92/24 to C-94/24 (so-called “Mediolanum Judgment”).

Accordingly, the business system also retained — in the form of retained earnings, depreciation and amortisation, residual provisions for risks and changes in deferred tax assets and liabilities — the total amount of 214.4 million euros, or 13.1% of the economic value generated. The amount is to be regarded as an investment that the other categories of stakeholders make each year in order to keep the Company in efficient condition and foster its development.

DISTRIBUTION OF ECONOMIC VALUE GENERATED

	2025	2024
Employees and collaborators	43.09%	41.47%
Suppliers	9.24%	7.85%
Shareholders	20.72%	20.38%
Government, entities, institutions and communities	13.88%	18.01%
Economic value retained	13.07%	12.29%
Total	100.00%	100.00%

BREAKDOWN OF VALUE ADDED



The following table shows in particular the process of creation of the Group's economic value and its distribution among stakeholders.

STATEMENT OF DETERMINATION OF THE TOTAL ADDED VALUE

ITEMS (€ THOUSAND)	2025	2024	CHANGE	%
10. Interest income and similar revenues ⁽⁷⁾	448,648	482,910	-34,262	-7.1%
20. Interest expense and similar charges	-123,635	-165,804	42,169	-25.4%
40. Fee income	1,245,712	1,207,559	38,153	3.2%
50. Fee expense (net of expenses related to the BG Network) ⁽¹⁾	-67,488	-63,775	-3,713	5.8%
70. Dividends and similar income	5,139	1,309	3,830	n.a.
80. Net income (loss) from trading activities	20,757	8,150	12,607	154.7%
90. Net income (loss) from hedging	-52	-192	140	-72.9%
100. Gains (losses) on disposal or repurchase of:	10,474	9,810	664	6.8%
a) financial assets measured at amortised cost	7,949	8,964	-1,015	-11.3%
b) financial assets measured at fair value through other comprehensive income	2,525	846	1,679	n.a.
110. Net income (loss) from other financial assets and liabilities measured at fair value through profit and loss:	-5,786	2,459	-8,245	-n.a.
b) financial assets and liabilities mandatorily measured at fair value	-5,786	2,459	-8,245	n.a.
130. Net adjustments/reversals due to credit risk relating to:	-19,441	1,837	-21,278	n.a.
a) financial assets measured at amortised cost	-19,208	2,030	-21,238	n.a.
b) financial assets measured at fair value through other comprehensive income	-233	-193	-40	20.7%
230. Other operating expenses/income ⁽⁴⁾	125,567	121,360	4,207	3.5%
280. Gains (losses) on disposal of investments	-9	1	-10	n.a.
A. TOTAL ECONOMIC VALUE GENERATED	1,639,886	1,605,624	34,262	2.1%
190.b Other general and administrative expenses ⁽²⁾	-151,459	-125,995	-25,464	20.2%
ECONOMIC VALUE DISTRIBUTED TO SUPPLIERS	-151,459	-125,995	-25,464	20.2%
190.a Staff expenses	-167,076	-144,892	-22,184	15.3%
50. Fee expense – expenses and advances to external networks (cost of Financial Advisors) ⁽⁵⁾	-539,529	-521,013	-18,516	3.6%
ECONOMIC VALUE DISTRIBUTED TO EMPLOYEES AND COLLABORATORS	-706,605	-665,905	-40,700	6.1%
340. Net profit (loss) for the year attributable to minority interests	-866	-	-866	n.a.
ECONOMIC VALUE DISTRIBUTED TO THIRD PARTIES	-866	-	-866	n.a.
Profit distributed to shareholders	-338,870	-327,185	-11,685	3.6%
ECONOMIC VALUE DISTRIBUTED TO SHAREHOLDERS	-338,870	-327,185	-11,685	3.6%
190.b Other general and administrative expenses: indirect and direct taxes ⁽⁶⁾	-132,609	-121,884	-10,725	8.8%
190.b Other general and administrative expenses: contributions to the National Resolution and Interbank Deposit Protection Funds ⁽⁶⁾	-3,238	-12,592	9,354	-74.3%
300. Income taxes for the year on operating activities (portion related to current taxes)	-87,411	-151,727	64,316	-42.4%
ECONOMIC VALUE DISTRIBUTED TO CENTRAL AND LOCAL ADMINISTRATIONS	-223,258	-286,203	62,945	-22.0%
190.b Other general and administrative expenses: contributions to communities and the environment and charitable gifts ⁽⁶⁾	-4,433	-2,964	-1,469	49.6%
ECONOMIC VALUE DISTRIBUTED TO COMMUNITIES AND THE ENVIRONMENT	-4,433	-2,964	-1,469	49.6%
B. TOTAL ECONOMIC VALUE DISTRIBUTED	-1,425,491	-1,408,252	-17,239	1.2%
200. Net provisions for liabilities and contingencies: ⁽³⁾	-56,642	-63,609	6,967	-11.0%
a) commitments and guarantees issued	-43,283	-11,605	-31,678	n.a.
b) other net provisions ⁽³⁾	-13,359	-52,004	38,645	-74.3%
210. Net adjustments/reversals of property and equipment	-25,504	-24,076	-1,428	5.9%
220. Net adjustments/reversals of intangible assets	-23,189	-18,067	-5,122	28.4%
250. Gains (losses) from equity investments (portion of valuational component)	-2,413	-759	-1,654	n.a.
300. Income taxes for the year on operating activities (change in deferred tax assets and liabilities)	328	13,179	-12,851	-97.5%
Profit allocated to reserves	-106,975	-104,040	-2,935	2.8%
C. TOTAL ECONOMIC VALUE DISTRIBUTED	-214,395	-197,372	-17,023	8.6%

(1) This figure differs from that included in the Profit and Loss Account in the Financial Statements, as the remuneration for the Financial Advisor Network has been reclassified to "Staff expenses".

(2) This figure differs from that included in the Profit and Loss Account in the Financial Statements, due to the exclusion of indirect and direct taxes, contributions to the National Resolution and Interbank Deposit Protection Funds and charitable gifts (which have been stated in the related specific items).

(3) This figure differs from that included in the Profit and Loss Account in the Financial Statements, due to the exclusion of net provisions for incentives and indemnities in favour of the BG Network and net provisions for staff.

(4) This figure differs from that included in the Profit and Loss Account in the Financial Statements, due to the exclusion of expenses recovered from Financial Advisors and staff contingencies (which have been stated in the related specific items).

(5) This figure differs from that included in the Profit and Loss Account in the Financial Statements, as it includes remuneration paid to the Financial Advisor Network and the related provisions.

(6) This figure is stated as a specific item in the statement of determination of added value.

(7) This figure differs from that included in the Profit and Loss Account in the Financial Statements, as interest income accrued on the extraordinary tax reimbursement was reclassified under item "Taxes" (portion of current taxes).

Group's Capital and Financial Position

At the end of 2025, total consolidated assets amounted to 18.5 billion euros, up 1.6 billion euros (+9.7%) compared to the end of 2024.

Total net inflows stood at 15.9 billion euros, up 9.7% compared to year-end 2024.

Core loans totalled 17.1 billion euros, increasing by 1.4 billion euros (+8.8%) compared to year-end 2024.

CONSOLIDATED BALANCE SHEET

ASSETS (€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Financial assets at fair value through profit or loss	649,848	512,209	137,639	26.9%
Financial assets at fair value through other comprehensive income	3,545,783	1,521,864	2,023,919	133.0%
Financial assets measured at amortised cost:	12,896,140	13,678,838	-782,698	-5.7%
a) loans to banks ^(*)	3,702,404	3,775,709	-73,305	-1.9%
b) loans to customers	9,193,736	9,903,129	-709,393	-7.2%
Hedging derivatives	153,464	131,221	22,243	17.0%
Equity investments	620	2,962	-2,342	-79.1%
Property, equipment and intangible assets	364,554	284,935	79,619	27.9%
Tax assets	186,645	122,889	63,756	51.9%
Other assets	657,460	566,840	90,620	16.0%
HFS assets	1,508	227	1,281	n.a.
Total assets	18,456,022	16,821,985	1,634,037	9.7%

(*) Demand deposits with banks and demand deposits with the ECB have been reclassified among loans to banks.

LIABILITIES AND NET EQUITY (€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Financial liabilities measured at amortised cost:	15,922,718	14,521,277	1,401,441	9.7%
a) due to banks	310,290	356,431	-46,141	-12.9%
b) due to customers	15,612,428	14,164,846	1,447,582	10.2%
Financial liabilities held for trading and hedging	293,990	177,054	116,936	66.0%
Tax liabilities	13,820	18,267	-4,447	-24.3%
Other liabilities	304,963	301,085	3,878	1.3%
Special purpose provisions	339,175	344,379	-5,204	-1.5%
Valuation reserves	1,884	8,372	-6,488	-77.5%
Equity instruments	105,000	100,000	5,000	5.0%
Reserves	944,990	838,350	106,640	12.7%
Share premium reserve	52,457	52,392	65	0.1%
Share capital	116,852	116,852	-	-
Treasury shares (-)	-96,168	-87,268	-8,900	10.2%
Net equity attributable to minority interests	10,496	-	10,496	n.a.
Net profit (loss) for the year (+/-)	445,845	431,225	14,620	3.4%
Total liabilities and net equity	18,456,022	16,821,985	1,634,037	9.7%

The consolidation scope changed compared to the previous year as a result of the acquisition of Intermonte, following the voluntary tender offer completed on 31 January 2025, and of Aequitum on 31 October 2025. Therefore, the balance sheet aggregates of these two companies were included in the consolidated capital and financial position at 31 December 2025, but not in that at 31 December 2024 used for the comparison. However, total consolidated assets attributable to the acquisitions, net of 221 million euro intragroup items, did not have a significant incidence on the Banking Group's total assets (1.3%).

QUARTERLY EVOLUTION OF CONSOLIDATED BALANCE SHEET

ASSETS (€ THOUSAND)	31.12.2025	30.09.2025	30.06.2025	31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024
Financial assets at fair value through profit or loss	649,848	610,999	603,873	610,724	512,209	509,118	509,549	509,334
Financial assets at fair value through other comprehensive income	3,545,783	3,169,997	2,838,972	1,982,597	1,521,864	1,049,938	863,071	1,075,503
Financial assets measured at amortised cost:	12,896,140	12,850,684	12,890,785	13,222,905	13,678,838	12,965,478	12,263,218	12,475,402
a) loans to banks	3,702,404	3,608,585	3,794,920	3,467,170	3,775,709	3,382,793	2,796,855	2,665,196
b) loans to customers	9,193,736	9,242,099	9,095,865	9,755,735	9,903,129	9,582,685	9,466,363	9,810,206
Hedging derivatives	153,464	150,808	148,600	159,394	131,221	144,462	183,118	178,060
Equity investments	620	3,337	3,609	2,787	2,962	3,842	4,128	2,126
Property, equipment and intangible assets	364,554	348,483	347,067	349,020	284,935	270,424	279,682	285,549
Tax assets	186,645	125,674	119,570	121,108	122,889	106,108	101,534	107,003
Other assets	657,460	577,817	625,483	537,555	566,840	560,237	542,083	556,185
HFS assets	1,508	-	227	227	227	-	-	-
Total assets	18,456,022	17,837,799	17,578,186	16,986,317	16,821,985	15,609,607	14,746,383	15,189,162
LIABILITIES AND NET EQUITY (€ THOUSAND)	31.12.2025	30.09.2025	30.06.2025	31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024
Financial liabilities measured at amortised cost:	15,922,718	15,424,446	15,036,598	14,529,661	14,521,277	13,390,289	12,743,908	13,061,788
a) due to banks	310,290	444,321	374,458	330,887	356,431	333,233	327,398	300,285
b) due to customers	15,612,428	14,980,125	14,662,140	14,198,774	14,164,846	13,057,056	12,416,510	12,761,503
Financial liabilities held for trading and hedging	293,990	225,332	226,955	210,748	177,054	151,544	122,701	122,340
Tax liabilities	13,820	41,708	22,747	45,129	18,267	49,850	96,736	74,839
Other liabilities	304,963	357,343	593,204	261,315	301,085	318,823	304,249	321,516
Special purpose provisions	339,175	331,806	335,825	350,557	344,379	284,417	266,912	268,571
Valuation reserves	1,884	6,193	10,947	8,590	8,372	9,263	-272	-303
Equity instruments	105,000	105,000	105,000	104,353	100,000	150,000	50,000	50,000
Reserves	944,990	947,269	943,740	1,274,418	838,350	834,847	830,717	1,083,262
Share premium reserve	52,457	52,457	52,414	52,437	52,392	52,392	52,388	52,992
Share capital	116,852	116,852	116,852	116,852	116,852	116,852	116,852	116,852
Treasury shares (-)	-96,168	-95,510	-76,404	-87,841	-87,268	-87,282	-77,367	-85,005
Net equity attributable to minority interests	10,496	10,293	10,156	9,803	-	-	-	343
Consolidated net profit	445,845	314,610	200,152	110,295	431,225	338,612	239,559	121,967
Total liabilities and net equity	18,456,022	17,837,799	17,578,186	16,986,317	16,821,985	15,609,607	14,746,383	15,189,162

Direct inflows from customers

Total direct inflows from customers amounted to 15.6 billion euros, with an increase of over 1,447 million euros (+10.2%) compared to 31 December 2024, chiefly attributable to the rise in customers' current account deposits (+954 million euros) and in repurchase agreement transactions (+557 million euros), partly offset by the decline in term deposits (-183 million euros).

Liabilities relating to daily variation margins received on the Eurex market amounted to 135 million euros, markedly increasing compared to the end of 2024 (+25.8%), offset by the performance of hedging derivative transactions.

DUE TO CUSTOMERS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
1. Current accounts and demand deposits	13,652,455	12,698,080	954,375	7.5%
2. Term deposits	60,823	244,070	-183,247	-75.1%
3. Financing	1,471,120	886,083	585,037	66.0%
Repurchase agreements with CC&G (MTS Repo)	985,994	579,306	406,688	70.2%
Repurchase agreements with customers	350,531	199,808	150,723	75.4%
Other (collateral margins)	134,595	106,969	27,626	25.8%
4. Other debts	327,949	336,613	-8,664	-2.6%
IFRS 16-related lease liabilities	137,093	130,206	6,887	5.3%
Operating debts to the BG Network	163,535	185,864	-22,329	-12.0%
Other debts (money orders, amounts at the disposal of customers)	27,321	20,543	6,778	33.0%
Total due to customers	15,512,347	14,164,846	1,347,501	9.5%
Debt securities outstanding (Item 30)	100,081	-	100,081	n.a.
Total due to customers and securities	15,612,428	14,164,846	1,447,582	10.2%

Captive inflows, generated from the treasury management of the companies within Assicurazioni Generali Group, grew by over 117 million euros, amounting to 435 million euros at the end of the year and accounting for 2.8% of total inflows, without taking into account 100 million euros relating to AT1 equity instruments.

INFLOWS FROM CUSTOMERS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Total inflows from Generali Group	435,013	317,610	117,403	37.0%
MREL-eligible debt securities outstanding	100,081	-	100,081	n.a.
Current accounts	278,812	256,332	22,480	8.8%
IFRS 16-related lease financial liabilities and other debts	56,120	61,278	-5,158	-8.4%
Inflows from other parties	15,177,415	13,847,236	1,330,179	9.6%
Current accounts	13,373,643	12,441,748	931,895	7.5%
Repurchase agreements and term deposits	1,397,348	1,023,184	374,164	36.6%
of which MREL-eligible term deposits	60,823	-	60,823	n.a.
Other debts	406,424	382,304	24,120	6.3%
Total inflows from customers	15,612,428	14,164,846	1,447,582	10.2%

The increase in captive inflows at year-end was mainly attributable to the issuance of a 100 million euro preferred senior bond eligible for MREL purposes, fully subscribed by Assicurazioni Generali through a private placement. The issue, placed on 22 December 2025, has a maturity of 5 years and the issuer will be entitled to early redemption after 4 years of the date of issue; it has an annual coupon of 3.345%.

At 31 December 2025, inflows from other parties included MREL-eligible term deposits amounting to 60.8 million euros and referring to two time deposits entered into in July 2025, with a 36-month term, no early withdrawal option and an annual interest rate of 4%.

The non-interest-bearing debt position amounted to nearly 191 million euros at year-end and consisted of accounts payable to the BG Network for the placement of financial products and services, as well as of other sums made available to customers, primarily relating to claims settlement activities by the Group's companies (money orders).

Core loans

Core loans totalled 16.7 billion euros overall, with a net increase of over 1,305 million euros compared to 31 December 2024 (+8.5%).

This performance was mainly driven by increased investments in the portfolio of financial assets (+1,538 million euros; +13.5%), offset by a sharp decline in exposures to banks (-453 million euros; -26.0%), largely attributable to the decrease in demand deposits with the ECB and to a good increase in loans to customers (+9.5%).

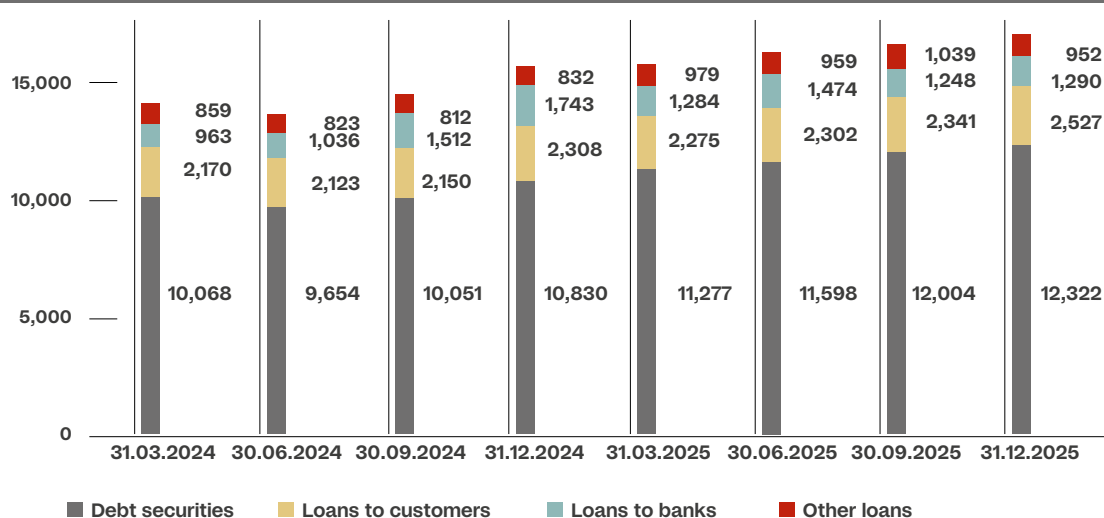
Investments in financial assets included Intermonte SIM's trading book for an amount of approximately 75 million euros, whereas other exposures to banks and customers stood at just below 40 million euros and chiefly consisted of securities lending transactions with banks (24 million euros) and net income on derivative transactions (16 million euros).

CORE LOANS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Financial assets measured at fair value through profit or loss	649,848	512,209	137,639	26.9%
Financial assets measured at fair value through other comprehensive income	3,545,783	1,521,864	2,023,919	133.0%
Financial assets measured at amortised cost	8,704,856	9,328,537	-623,681	-6.7%
Financial assets	12,900,487	11,362,610	1,537,877	13.5%
Loans to and deposits with banks ^(*)	1,290,018	1,742,610	-452,592	-26.0%
Loans to customers	2,527,483	2,307,582	219,901	9.5%
<i>of which: treasury transactions on the eMTS Repo market</i>	27,334	-	27,334	n.a.
Operating loans and other loans	373,783	300,109	73,674	24.5%
Total core loans	17,091,771	15,712,911	1,378,860	8.8%
Total interest-bearing financial assets and loans	16,717,988	15,412,802	1,305,186	8.5%

(*) Demand deposits with banks and demand deposits with the ECB have been reclassified among loans to banks.

QUARTERLY EVOLUTION OF LOANS (€ MILLION)



Overall, investments in financial instruments accounted for 75.5% of total core loans, slightly up compared to 72.3% at the end of 2024, and continued to focus on the portfolio of securities issued by governments and supranational and other public institutions, accounting for three fourths of the total portfolio. This was supported by a careful diversification process regarding investments in debt securities issued by credit institutions, and particularly covered bonds.

FINANCIAL ASSETS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Government securities	8,418,463	7,631,655	786,808	10.3%
Supranational and other public institutions	1,258,419	888,601	369,818	41.6%
Securities issued by banks	2,457,270	2,039,506	417,764	20.5%
Securities issued by other issuers	188,128	270,666	-82,538	-30.5%
Equity securities and other financial instruments at fair value	578,207	532,182	46,025	8.6%
Total financial assets	12,900,487	11,362,610	1,537,877	13.5%

The residual component of equity securities, UCITS and other similar securities chiefly referred to the investment, for a total of 479.4 million euros, in the units of the Forward Fund, an Italian fund (AIF) managed by Gardant SGR and specialised in illiquid investments.

The held-to-collect (HTC) portfolio, driven by financial assets measured at amortised cost and held for long-term investment purposes, amounted to 8.7 billion euros at year-end, accounting for 67.4% of total financial assets, sharply decreasing compared to the end of the previous year (-14.6%). The held-to-collect-and-sell (HTCS) portfolio, i.e., financial assets measured at fair value with a balancing entry to net equity without any particular time constraints, amounted to 3.5 billion euros, significantly increasing compared to the end of the previous year (+133%).

In the year, the Bank continued its derivative activity entering into interest rate swaps to hedge debt securities, mostly Italian and foreign fixed-rate and index-linked government bonds allocated to the HTCS and HTC portfolios.

For each hedging derivative, a specific highly effective fair value hedging relationship is formed.

At the end of 2025, the notional amounts of the micro-hedging derivatives outstanding 5,529 million euros, of which 111 million euros relating to the HTCS portfolio.

The portfolio also included some cash flow hedge counter-hedges for a total notional amount of 1,132 million euros, activated on certain asset swap positions mostly to hedge the HTC portfolio.

The net book value of the asset swap portfolio, including counter-hedges, was 4,634 million euros overall, essentially in line with its fair value.

It should also be noted that, at the end of the third quarter of 2024, a macro hedge had also been activated to mitigate the interest-rate risk of stable demand liabilities (core deposits) by entering into IRS contracts, which in the reporting year contributed a notional amount of 5,000 million euros and a net positive fair value of 0.5 million euros.

The overall portfolio remained focused on sovereign and supranational debt and rose sharply by nearly 1,157 million euros at the end of the year, accounting for 75.0% of total investments in financial instruments.

The portion of the portfolio invested in Italian government bonds increased to 5.9 billion euros (+4.7%), with a 60.6% ratio to total volumes, declining compared to the previous year (-5.1%).

Foreign sovereign and supranational debt grew to 3.8 billion euros (+893 million euros; +30.6%), accounting for 39.4% of the total government portfolio.

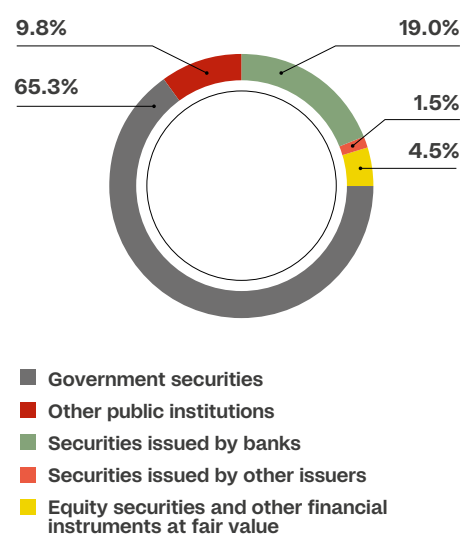
From a geographical standpoint, investments in foreign government bonds were primarily allocated on EU issues, with a particular focus on France, European institutions, Spain and the German area and Eastern European countries.

EXPOSURE TO SOVEREIGN RISK BY PORTFOLIO

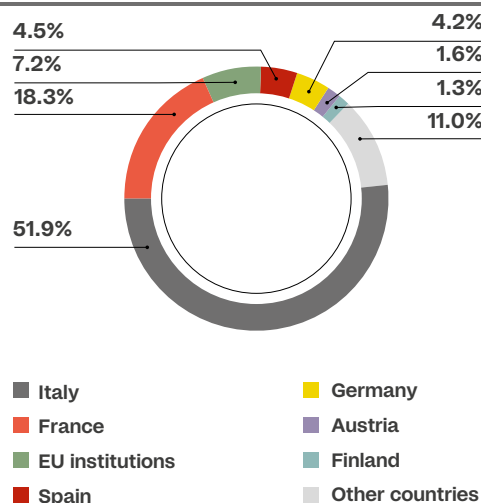
(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Financial assets measured at fair value through profit or loss	90,250	-	90,250	n.a.
Financial assets measured at fair value through other comprehensive income	3,443,606	1,479,087	1,964,519	132.8%
Financial assets measured at amortised cost	6,143,026	7,041,169	-898,143	-12.8%
Total	9,676,882	8,520,256	1,156,626	13.6%
Financial assets measured at fair value through profit or loss	9,988	-	9,988	n.a.
Financial assets measured at fair value through other comprehensive income	1,315,456	582,269	733,187	125.9%
Financial assets measured at amortised cost	2,485,621	2,335,740	149,881	6.4%
Total foreign government bonds	3,811,065	2,918,009	893,056	30.6%
Total Italian government bonds	5,865,817	5,602,247	263,570	4.7%

The overall geographical breakdown of the debt securities portfolio therefore showed a lower incidence of investments in Italian securities, which stood at 51.9%, followed by the exposure to French issuers (18.3%) and EU institutions (7.2%), primarily represented by government bonds.

BREAKDOWN OF FINANCIAL ASSETS PORTFOLIO



GEOGRAPHICAL BREAKDOWN OF FINANCIAL ASSETS PORTFOLIO

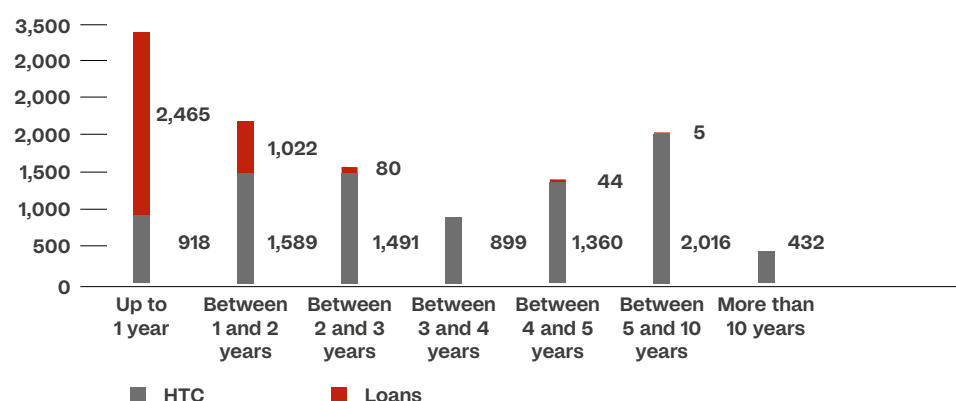


At the end of 2025, the share of financial assets with a maturity of more than 3 years was 38.6%, slightly down compared to the end of 2024 (46.4%).

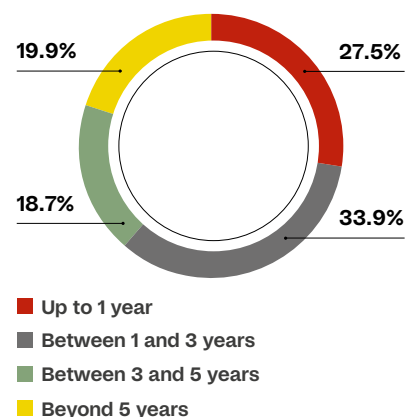
The portfolio of debt securities had an overall average residual life of about 3.3 years. In particular, the average maturity of the HTC portfolio was 4.5 years, whereas the average maturity of the HTCS portfolio declined to 0.9 years.

A total of 35.2% of the portfolio was made up of issues with variable-rate or inflation-linked coupons, including hedged securities, and 64.8% of fixed-rate issues.

BONDS PORTFOLIO MATURITY (€ MILLION)



BREAKDOWN OF BONDS PORTFOLIO BY MATURITY AT 31.12.2025



Loans to customers exceeded **2,527 million euros**, increasing by nearly 220 million euros compared to the end of 2024 (+9.5%), as a result of current account exposures, partly offset by transactions regarding mortgages and personal loans.

In particular, Lombard loans, made up of current account exposures fully secured by pledges on financial instruments, totalled **1,573 million euros** (+14.5%).

LOANS, OPERATING LOANS AND OTHER LOANS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Current accounts	1,969,402	1,747,905	221,497	12.7%
Mortgages and personal loans	522,645	550,053	-27,408	-5.0%
Other financing and loans not in current accounts	8,102	9,624	-1,522	-15.8%
Reverse repurchase agreements with CC&G on MTS Repo	27,334	-	27,334	n.a.
Loans	2,527,483	2,307,582	219,901	9.5%
Operating loans to management companies	182,111	181,904	207	0.1%
Sums advanced to Financial Advisors	53,721	55,517	-1,796	-3.2%
Stock exchange interest-bearing daily margin	88,684	27,931	60,753	217.5%
Charges to be debited and other loans	35,904	24,674	11,230	45.5%
<i>of which: rights of recourse and usufruct rights</i>	<i>20,984</i>	<i>15,790</i>	<i>5,194</i>	<i>32.9%</i>
Operating loans and other loans	360,420	290,026	70,394	24.3%

Operating loans and other loans exceeded 360 million euros, up 70.4 million euros (+24.3%), mainly attributable to the increase in net income on derivatives transactions (+61 million euros), partially referring to the new activities related to Intermonete.

This aggregate included **21.0 million euros** for the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues.

These were mainly exposures qualifying as purchased or originated credit impaired (POCI) falling within non-performing exposures and recognised among loans to customers measured at amortised cost, net of write-offs and adjustments amounting to 79.8 million euros.

In the year, the rights of recourse increased by 80.6 million euros as a result of new enforcements, net of initial write-offs and value adjustments amounting to 63.8 million euros and of 6.9 million euro value adjustments on prior years' positions, in addition to 0.3 million euro interest accrued, with no recoveries.

Amounts receivable as a result of the transfer by the Bank's customers of usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024 (4.8 million euros) were also fully written off.

Net of the above-mentioned POCI exposures, the other **non-performing exposures**, regarding exclusively loans to customers, amounted to **14.5 million euros**, accounting for 0.6% of total loans reported in the table above.

The aggregate still included some exposures originating in the portfolio of Banca del Gottardo Italia, fully covered by the loan indemnity granted by BSI S.A. (now EFG Bank AG) upon the sale of the said company and chiefly secured to that end by cash collateral payments by the counterparty. Net of this aggregate, non-performing exposures to customers amounted to **9.2 million euros** and consisted for nearly 80% of credit facilities secured by financial collaterals mainly in the form of pledges on financial instruments and/or similar products, such as policy surrender mandates. Unsecured exposures on loans to customers, for which risk is effectively borne by the Bank, amounted to just **1.9 million euros**, or around **0.07%** of total loans to customers.

The portfolio of non-performing loans, as defined above, remained essentially stable compared to year-end 2024, with a reduction in net bad loans not guaranteed by indemnities (-4.2 million euros) and in unlikely-to-pay positions (-1.2 million euros), only partially offset by the 1.2 million euro increase in past-due or expired positions.

NON-PERFORMING EXPOSURES

(€ THOUSAND)	31.12.2025				31.12.2024				CHANGE	
	BAD LOANS	UNLIKELY TO PAY	PAST-DUE AND/OR EXPIRED EXPOSURES	TOTAL	BAD LOANS	UNLIKELY TO PAY	PAST-DUE AND/OR EXPIRED EXPOSURES	TOTAL	DELTA	CHANGE %
Gross exposure	16,882	2,973	13,125	32,980	19,949	3,967	10,392	34,308	-1,328	-4%
Adjustments	11,320	1,703	5,483	18,506	10,270	1,481	3,950	15,701	2,805	18%
Total net exposure	5,562	1,270	7,642	14,474	9,679	2,486	6,442	18,607	-4,133	-22%
Gross exposure	13,382	-	-	13,382	13,216	-	-	13,216	166	1%
Adjustments	8,099	-	-	8,099	8,060	-	-	8,060	39	-
Exposure guaranteed by net indemnity	5,283	-	-	5,283	5,156	-	-	5,156	127	2%
Gross exposure	3,500	2,973	13,125	19,598	6,733	3,967	10,392	21,092	-1,494	-7%
Adjustments	3,221	1,703	5,483	10,407	2,210	1,481	3,950	7,641	2,766	36%
Exposure net of indemnity	279	1,270	7,642	9,191	4,523	2,486	6,442	13,451	-4,260	-32%
Net guaranteed exposure	147	1,153	6,037	7,337	4,286	2,098	4,673	11,057	-3,720	-34%
Net exposure not guaranteed	132	117	1,605	1,854	237	388	1,769	2,394	-540	-23%

At 31 December 2025, the interbank position, net of the securities portfolio and operating loans, showed a net credit balance of over 980 million euros, down compared to a net exposure of 1,386 million euros at the end of the previous year (-29.3%), chiefly due to the combined effect of:

- › the reduction in the net exposure to central banks (-558 million euros), mainly including overnight deposits in service of treasury transactions;
- › the increased net exposure in repurchase agreements (+187 million euros), attributable to the expansion of lending activities and the decrease in funding activities;
- › a lower net exposure to banks in current accounts and other debts (-66.6 million euros), partly offset by an increase in deposits and collateral margins on OTC derivatives (+27.4 million euros);
- › the inclusion of the net debt arising from lending transactions with Intermonte's equity securities as collateral (+4.2 million euros).

NET INTERBANK POSITION

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
1. Repayable on demand	380,674	1,026,195	-645,521	-62.9%
Demand deposits with the ECB and the NCBs (*)	303,675	871,310	-567,635	-65.1%
Correspondent accounts	76,999	154,885	-77,886	-50.3%
2. Time deposits	909,344	716,415	192,929	26.9%
Minimum reserve	128,547	119,013	9,534	8.0%
Term deposits	76,805	44,156	32,649	73.9%
Repurchase agreements	487,477	387,089	100,388	25.9%
Securities lending	24,374	-	24,374	n.a.
Collateral margins	192,141	166,157	25,984	15.6%
Total loans to banks	1,290,018	1,742,610	-452,592	-26.0%
1. Due to banks	310,290	356,431	-46,141	-12.9%
Correspondent accounts	56,686	66,446	-9,760	-14.7%
Term deposits	30,000	3,001	26,999	n.a.
Repurchase agreements	186,024	272,338	-86,314	-31.7%
Securities lending	20,188	-	20,188	n.a.
Collateral margins	7,550	8,932	-1,382	-15.5%
Lease debts	1,456	-	1,456	n.a.
Other debts	8,386	5,714	2,672	46.8%
Total due to banks	310,290	356,431	-46,141	-12.9%
Net interbank position	979,728	1,386,179	-406,451	-29.3%

(*) Reclassified from Item 10 – Cash and deposits – Demand deposits to Central Banks.

Provisions

Special purpose provisions amounted to over 339.2 million euros overall, slightly down compared to the previous year (-1.5%), and mainly referring to provisions for contractual indemnities to the BG Network.

PROVISIONS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Provision for termination indemnity	2,940	3,402	-462	-13.6%
Provisions for pensions and similar obligations	3,278	3,145	133	4.2%
Other provisions for liabilities and contingencies	332,957	337,832	-4,875	-1.4%
Provisions for staff expenses	12,502	8,925	3,577	40.1%
Provision for the redundancy incentive plan	7,485	8,800	-1,315	-14.9%
Provisions for legal disputes	14,922	14,229	693	4.9%
Provisions for contractual indemnities to the BG Network	217,249	207,988	9,261	4.5%
Provisions for BG Network incentives	31,223	28,940	2,283	7.9%
Provisions for tax and contributions/pension disputes	571	144	427	n.a.
Other provisions for liabilities and contingencies	49,005	68,806	-19,801	-28.8%
<i>of which: provisions for risks relating to guarantees issued and commitments</i>	<i>26,192</i>	<i>11,796</i>	<i>14,396</i>	<i>122.0%</i>
Total provisions	339,175	344,379	-5,204	-1.5%

Contractual indemnities referred to:

- › provisions to cover Financial Advisor termination indemnities provided for under Article 1751 of the Italian Civil Code, assessed on an actuarial basis, in the amount 104.7 million euros;

- › other indemnities relating to termination of the agency or management position (management development indemnity, portfolio overfee indemnities, retirement eligibility bonus) for 33.1 million euros;
- › the provision in service of the annual cycles of the 2017-2026 Framework Loyalty Programme for the BG Network, in the amount of 36.0 million euros;
- › the provision in service of the three-year incentive plan for the BG Network, in the amount of 43.4 million euros.

The Framework Loyalty Programme for the BG Network was suspended at the end of 2021 and therefore no additional annual cycles have been activated since 2022. The provisions relating to the latter programme refer to 50% of the accrued indemnity to be paid in cash, whereas the portion payable in Banca Generali shares has been accounted for pursuant to IFRS 2.

In 2022, a 34.2 million euro financial advance related to the bonuses to be paid in cash was also granted to the beneficiaries of the Loyalty Framework Programme drawing from the provision recognised and valued at 30 June 2022. This advance is subject to the same accrual conditions provided for by the Programme and the beneficiaries will be definitively entitled to it in the first half of 2027.

The 2022-2024 three-year incentive plan, approved by the Board of Directors on 18 March 2022 and further adjusted on 5 March 2024, is in addition to the annual incentives for the BG Network and is tied to the achievement of both several overall objectives set at the Banking Group level in terms of total net inflows and recurring fee income, established in the new Strategic Plan, and individual objectives.

At 31 December 2024, the plan ended with full achievement of the three-year net inflows and cumulated recurring fee income objectives.

The three-year bonus will therefore be paid in 2026, provided that on 31 December 2025 the net inflow targets reached are no less than 90% of net inflows generated at the end of the three-year plan period.

Under the plan, special rules also apply to Financial Advisors eligible to participate in the previous Loyalty Framework Programme, for which a bonus floor applies, to be paid at the end of the three-year period if other conditions are met, provided that beneficiaries have reported no net outflows.

The incentives accruing on a multi-year basis, tied to net inflow targets, qualify as costs of obtaining a contract pursuant to IFRS 15 and are expensed over a five-year period, like other similar incentives granted to the BG Network.

In addition, the plan calls for the payment of the cash bonus only, with the sole exception of beneficiaries qualifying as Key Personnel in the three-year period, to whom the specific provisions of the Remuneration Policies (deferral, shared-based payment, etc.) apply.

The 9.3 million euro net change in provisions for contractual indemnities to the BG Network includes the impact attributable to a slight decrease in the discount rates used to measure actuarial provisions that led to an increase of the latter of approximately 0.4 million euros.

Other provisions for liabilities and contingencies included a total of 43.0 million euros to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues.

At 31 December 2025, the total amount of financial guarantees issued in favour of certain customers and not yet enforced amounted to 32.6 million euros.

At the end of December 2024, a new Voluntary Redundancy Plan had been launched to cover incentives for employees' departure in the 2025-2027 three-year period. The Plan is reserved for all employees who have already qualified, or will qualify during the plan period, for a pension within five years from the date of employment termination, or by 31 December 2032. An 8.8 million euro provision was set aside to cover the plan, 1.3 million euros of which was used in the year.

Net equity and regulatory aggregates

At 31 December 2025, the Banking Group's consolidated net equity, including consolidated net profit, neared 1,581 million euros, net of the 2024 dividend payout resolved upon by the General Shareholders' Meeting on 17 April 2025 for a total amount of 327.2 million euros, which was partly already paid on 21 May 2025 and is to be partly paid in February 2026.

CONSOLIDATED NET EQUITY

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Share capital	116,852	116,852	-	-
Share premium reserve	52,457	52,392	65	0.1%
Reserves	944,990	838,350	106,640	12.7%
(Treasury shares)	-96,168	-87,268	-8,900	10.2%
Valuation reserves	1,884	8,372	-6,488	-77.5%
Equity instruments	105,000	100,000	5,000	5.0%
Net profit (loss) for the year	445,845	431,225	14,620	3.4%
Banking Group net equity	1,570,860	1,459,923	110,937	7.6%
Net equity attributable to minority interests	10,496	-	10,496	n.a.
Consolidated net equity	1,581,356	1,459,923	121,433	8.3%

In addition to the distribution of the 2024 dividend, the 121.4 million euro net change in consolidated net equity in 2025 was mainly attributable to the consolidated net profit and, to a lower extent, to other factors reported in the table below, such as the buy-back of treasury shares and the change in reserves for share-based payments (IFRS 2), the negative performance of OCI valuation reserves and the recognition in net equity of the extraordinary contribution to the reserve of the so-called Windfall Tax for Banks.

CHANGE IN NET EQUITY

CONSOLIDATED NET EQUITY	31.12.2025
Net equity at year-start	1,459,923
Acquisition of Intermonte	15,930
Consolidated net profit	446,711
Reserves for prior year dividends	-327,157
Dividends not paid on treasury shares	7,195
Purchase and sale of treasury shares	-18,639
Change in IFRS 2 reserves	17,929
Change in OCI valuation reserves	-6,487
Dividends on AT1 equity instruments	-5,182
Substitute Windfall Tax	-7,316
Third-party dividends	-744
Other effects	-807
Net equity at year-end	1,581,356
Change	121,433

With regard to the Windfall Tax, it should be recalled that Article 26 of Italian Decree-Law No. 104/2023 had introduced an extraordinary tax to be levied on banks and calculated by applying a rate of 40% to the amount of net interest income recognised in 2023, with a tax cap equal to 0.26% of the RWAs recognised at the end of 2022.

An option had been also provided to alternatively book a non-distributable equity reserve of 2.5 times the amount of the tax, which the Bank had exercised, booking 26.6 million euros.

The 2026 Budget Law (Article 1, paragraphs 68-73 of Italian Law No. 199/2025) then established that any profit distribution made in financial years following 1 January 2028 would be automatically drawn from the above-mentioned reserve, resulting in the application of the originally envisaged 40% rate, in addition to the related interest.

However, said law also introduced the option to pay, as an alternative to the tax, an extraordinary contribution calculated by applying lower rates, as follows:

- › a 27.5% rate on the amount of the reserve at 31 December 2025; or
- › a 33% rate of the amount of the reserve at 31 December 2026.

From an accounting perspective, it also clarified that the tax amount should be recognised as soon as financial statements for the year ending 31 December 2025 with a balancing entry to an equity reserve and that, in order to be entitled to apply the lower rates in calculating the extraordinary contribution, the entity should formalise such decision before approving the 2025 draft financial statements.

Accordingly, on 11 February 2026, the Bank's Board of Directors resolved to authorise the payment of the 27.5% extraordinary contribution by drawing from the so-called "Windfall Tax reserve", for a total amount of **7.3 million euros**.

The acquisition of Intermonte generated a positive effect on net equity amounting to 15.9 million euros, mainly attributable to minority interests (10.2 million euros), to the acquisition of an AT1 financial instrument (5.0 million euros) and, to a lower extent, to IFRS 2 reserves.

Revaluation reserves amounted to 1.9 million euros, with a net decrease of 6.5 million euros, mainly due to the decline in fair value valuation reserves for the portfolio of financial assets measured at fair value through other comprehensive income (-6.2 million euros) and in cash flow hedge reserves (-2.4 million euros), partly offset by actuarial gains from defined benefit plans (+1.3 million euros) and by translation reserves referred to net foreign investment in CHF due to the performance of this currency (+0.7 million euros).

The increase in the OCI negative reserve on equity securities was mainly attributable to the disposal of the Mainstreet equity investment.

VALUATION RESERVES

(€ THOUSAND)	31.12.2025		31.12.2024		CHANGE
	POSITIVE RESERVE	NEGATIVE RESERVE	NET RESERVE	NET RESERVE	
Valuation reserves – HTCS debt securities	1,168	-447	721	3,720	-2,999
Valuation reserves – OCI equity securities	80	-3,517	-3,437	-284	-3,153
Cash flow hedges	2,930	-651	2,279	4,703	-2,424
Exchange differences	2,718	-	2,718	1,965	753
Actuarial gains (losses) from defined benefit plans	1,893	-2,290	-397	-1,732	1,335
Total	8,789	-6,905	1,884	8,372	-6,488

In 2025, on the basis of the achievement of the performance objectives set out in the Remuneration Policy, 376,668 treasury shares, with a value of 11,299 thousand euros, of which 94,026 shares in service of the first instalment of the 2022 LTIP and of the second instalment of the 2020 LTIP, were instead allotted to the Banking Group's employees and Financial Advisors qualifying as Key Personnel, as well as to network managers.

This aggregate also includes 23,394 Banca Generali shares allotted to Intermonte Group employees in service of the pre-acquisition remuneration policies for financial years 2021-2024.

On 17 April 2025, the General Shareholders' Meeting also authorised the repurchase of a maximum of 390,780 treasury shares in service of the 2025 remuneration plans for the Key Personnel of the Banking Group, including Intermonte, and of the new Long Term Incentive Plan (LTIP) for the period 2025-2029. The plan for the buy-back of treasury shares was authorised by the Supervisory Authority on 29 July 2025 and was completed on 30 September 2025, with the last tranches of shares settled at the beginning of October.

The said authorisation also enabled the repurchase of a maximum of 20,000 shares in service of Intermonte's market making activity.

At the end of the year, the Parent Company, Banca Generali, thus held 2,942,019 treasury shares, with a value of 96,103 thousand euros, intended solely for the service of Remuneration Policies for the Banking Group's Key Personnel.

It should be noted that, at the end of the year, Intermonte SIM held 1,000 Banca Generali shares it had purchased as part of its market making activity before being acquired by the Banking Group. To date, this activity has been suspended pending the Supervisory Authority's authorisation.

	NO. OF SHARES	VALUE (EUROS)	AVERAGE PRICE (EUROS)
Amount at year-start	2,907,907	87,267,830	30.01
Allotments	-376,668	-11,299,447	30.01
Purchases	410,780	20,134,765	49.02
Amount at year-end 31.12.2025	2,942,019	96,103,148	32.67
Intermonte's shares	1,000	57,200	57.20
Total treasury shares	2,943,019	96,160,348	32.67

Own funds and capital requirements

Consolidated own funds amounted to 1,034 million euros, up 29.60 million euros compared to the end of the previous year (+2.9%).

OWN FUNDS AND CAPITAL RATIOS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Common Equity Tier 1 capital (CET1)	933,220	904,164	29,056	3.2%
Additional Tier 1 capital (AT1)	100,509	100,000	509	0.5%
Total own funds	1,033,729	1,004,164	29,565	2.9%
Credit and counterparty risk	231,933	214,988	16,945	7.9%
Market risk	4,389	1	4,388	n.a.
Operational risk	200,867	114,210	86,656	75.9%
Total absorbed capital (Pillar I)	437,189	329,199	107,989	32.8%
Total SREP minimum requirements (Pillar II)	719,169	519,542	199,627	38.4%
Excess over SREP minimum requirements	314,560	484,622	-170,062	-35.1%
Risk-weighted assets	5,464,859	4,114,993	1,349,867	32.8%
CET1/Risk-weighted assets	17.08%	22.0%	-4.9%	-22.3%
Tier 1/Risk-weighted assets	18.92%	24.4%	-5.5%	-22.5%
Total own funds/Risk-weighted assets (Total Capital Ratio)	18.92%	24.4%	-5.5%	-22.5%

At the end of the year, CET1 ratio reached 17.1%, compared to a minimum requirement of 8.7%, and Total Capital Ratio (TCR) reached 18.9%, compared to the SREP minimum requirement of 13.2%²².

The decline in own funds was attributable, for approximately 54.8 million euros, to the effects of the acquisition of Intermonte Group, as a result of the full deduction of the goodwill (52.4 million euros) and of other intangible assets recognised upon PPA (8.1 million euros), in addition to other net minor positive effects amounting to 5.8 million euros.

Net of this transaction, consolidated own funds would have increased by 84.3 million euros due to the inclusion of the portion of retained earnings accruing in the year (+101.4 million euros), the IFRS 2 reserves (+16.8 million euros), the net buy-back of treasury shares (-19.0 million euros), the recognition of the Windfall Tax (-7.3 million euros) and other net negative capital and prudential effects for 7.5 million euros.

As regards retained earnings, amounting to 107.0 million euros gross of Intermonte's contribution, the Board of Directors resolved to propose to the Shareholders' Meeting to distribute a dividend of 2.9 euros per share, for a total amount of 338.9 million euros, equal to 76% of the Banking Group's consolidated net profit.

CHANGES IN OWN FUNDS

		OF WHICH RELATED TO INTERMONTE	EXCLUDING INTERMONTE
Own funds at year-start	1,004,164	-	1,004,164
Estimated regulatory provisions for retained earnings	106,975	5,602	101,373
Repurchase commitments of CET1 instruments	-1,235	-1,235	-
Purchase and sale of treasury shares	-19,078	-65	-19,013
Change in IFRS 2 reserves	18,160	1,383	16,777
Dividend not paid out on treasury shares	7,195	27	7,168
Change in OCI reserves on HTCS	-5,400	-	-5,400
Change in other OCI reserves	1,336	-	1,336
Change in goodwill and intangible assets (net of related DTLs)	-61,583	-60,559	-1,024
DTAs through P&L not arising on temporary differences (tax losses)	-1,563	-1,151	-412
Negative prudential filters (prudent valuation)	-4,320	-75	-4,245
Dividends on AT1 equity instruments	-5,140	-283	-4,857
Substitute Windfall Tax recognised in net equity	-7,316	-	-7,316
Other effects	-34	27	-61
Eligible third-party share capital	1,059	1,059	-
Eligible AT1 instrument	509	509	-
Total changes in TIER 1 capital	29,565	-54,762	84,327
Own funds at 31.12.2025	1,033,729	-54,762	1,088,491
Change	29,565	-54,762	84,327

²² On 23 January 2025, upon conclusion of the SREP – Supervisory Review and Evaluation Process carried out annually by the competent Supervisory Authority, the Bank of Italy confirmed to Banca Generali the following specific capital requirements to be applied to the Banking Group:

- Common Equity Tier 1 (CET1) ratio of 8.2%, consisting of an Overall Capital Requirement (OCR) of 5.70% (of which 4.5% as minimum regulatory requirement and 1.2% as additional requirement following the SREP) and a capital conservation buffer for the remainder (2.5%);
- Tier 1 (T1) ratio of 10.20%, consisting of an Overall Capital Requirement (OCR) of 7.70% (of which 6% as minimum regulatory requirement and 1.70% as additional requirement following the SREP) and a capital conservation buffer for the remainder;
- Total Capital Ratio (TCR) of 12.70%, consisting of an Overall Capital Requirement (OCR) of 9.80% (of which 8% as minimum regulatory requirement and 2.20% as additional requirement following the SREP) and a capital conservation buffer for the remainder.

The Supervisory Authority however expects that Banca Generali maintains its capital ratios equal to at least 9.20% for CET1 ratio, to 11.20% for Tier 1 ratio and to 13.70% for Total Capital Ratio.

In addition to these requirements, an obligation was introduced to set up a CET1 buffer against systemic risk (SyRB – Systemic Risk Buffer) equal to 1% of credit and counterparty risk-weighted exposures to Italian residents only, to be achieved gradually by setting aside a reserve of 0.5% by 31 December 2024 and the remaining 0.5% by 30 June 2025. At 31 December 2025, this systemic risk buffer, calculated at consolidated level, led to an increase in the absorption of CET1 and TCR equal to 0.393%. The Bank is also required to maintain a countercyclical capital buffer, consisting of 0.067% of CET1, determined on the basis of the weighted average of the countercyclical ratios applied by the respective Supervisory Authorities in the countries where the institution's relevant credit exposures are located (for Italy, the ratio set by the Bank of Italy is zero). These additional requirements are added to those provided for by the SREP, bringing the overall mandatory requirement to 13.166% of Own Funds.

Capital absorption grew by 108.0 million euros (+32.8%), chiefly as a result of a significant increase in the operational risk requirement (+86.6 million euros), due to the combined effect of the new calculation methodology introduced under the new Basel 3 regulatory framework (CRR3/CRD IV) and the increase in the related aggregates in the year.

At 31 December 2025, the integration of Intermonte also generated an impact in terms of capital requirements amounting to 9.2 million euros, of which 4.1 million euros referring to market risk and the remainder to credit and counterparty risks.

The integration of Intermonte and the new CRR3 regulatory framework generated a negative impact on consolidated capital ratios of 2.1 percentage points referring to Intermonte and of 3.8 percentage points due to the new methodology for calculating operational risks. The change in operational risk had instead an impact of around 1.6 percentage points.

The Bank's liquidity ratios remained at excellent levels, with the Liquidity Coverage Ratio (LCR) at 337% and the Net Stable Funding Ratio (NSFR) at 245%. The Bank's leverage ratio stood at 5.6%.

RECONCILIATION STATEMENT BETWEEN THE PARENT COMPANY BANCA GENERALI'S NET EQUITY AND CONSOLIDATED NET EQUITY

(€ THOUSAND)	31.12.2025		
	SHARE CAPITAL AND RESERVES	NET PROFIT	NET EQUITY
Net equity of Banca Generali	1,008,824	455,551	1,464,375
Differences between net equity and book value of companies consolidated using the line-by-line method	111,965	-	111,965
- Profit carried forward of consolidated companies	44,363	-	44,363
- Goodwill	64,302	-	64,302
- Other changes	3,300	-	3,300
Dividends from consolidated companies	64,577	-254,577	-190,000
Consolidated companies' result for the year	-	244,201	244,201
Net equity attributable to minority interests	9,629	866	10,496
Result of associates valued at equity	-604	604	-
Valuation reserves – consolidated companies	1,893	-	1,893
Exchange differences	2,718	-	2,718
Treasury shares and derivatives based on BG shares	-38	-	-38
Goodwill	-64,302	-	-64,302
Consolidation adjustments	-18	66	48
Net profit attributable to minority interests	866	-866	-
Net equity of the Banking Group	1,135,511	445,845	1,581,356

Cash flows

At the end of 2025, liquidity absorbed by operating activities totalled 411 million euros overall, significantly decreasing compared to the previous year.

In particular, cash flows generated by operations amounted to 314 million euros (-113 million euros), whereas the increase in net inflows from customers (+1,422 million euros) and in other net operating assets (+84 million euros) was fully absorbed by higher investments in the financial asset portfolio (-1,444 million euros) and, to a lower extent, by loans to customers (-296 million euros) and the interbank position (-292 million euros), for a total of 2,032 million euros.

Operating activities therefore absorbed a total of 211 million euros.

Financing activities also generated 341 million euro outflows overall, consisting of dividends paid — represented by the second tranche of the 2023 dividend, the first tranche of the 2024 dividend and the AT1 financial instrument coupons — for an amount of 322 million euros, and to a lesser extent, by the buy-back of treasury shares.

Investing activities generated additional outflows amounting to 94 million euros, sharply increasing compared to the previous year due to the acquisition of Intermonte and Aequitum.

Cash and cash equivalents at year-end amounted to 411 million euros, decreasing sharply by 646 million euros compared to the end of 2024.

This item included demand deposits with central banks totalling 304 million euros, sharply down compared to the previous year (-567 million euros).

CASH FLOWS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE
Liquidity generated by operations	314,908	427,946	-113,037
Financial assets	-1,443,630	-536,077	-907,552
Loans to banks	-178,789	-225,976	47,187
Loans to customers	-295,863	51,340	-347,203
Other operating assets	-18,870	23,198	-42,068
Total assets	-1,937,152	-687,515	-1,249,637
Amounts due to banks	-113,731	119,055	-232,786
Amounts due to customers	1,422,433	847,952	574,481
Other operating liabilities	102,544	-29,331	131,875
Total liabilities	1,411,246	937,676	473,570
Liquidity generated by/used for operating activities	-210,998	678,106	-889,104
Investments	-26,753	-24,340	-2,413
Acquisition and disposal of business units and equity investments	-67,262	-3,390	-63,872
Liquidity generated by/used for investing activities	-94,015	-27,730	-66,285
Dividends paid	-321,886	-253,302	-68,585
Issue/purchase of treasury shares and financial instruments	-18,674	40,061	-58,735
Liquidity generated by/used for financing activities	-340,560	-213,241	-127,320
Net liquidity generated/used	-645,573	437,136	-1,082,709
Cash and deposits	410,536	1,056,109	-645,573

Parent Company's Operations and Performance of Subsidiaries

Parent Company's operations

ECONOMIC AND FINANCIAL HIGHLIGHTS

(€ MILLION)	2025	2024	CHANGE %
Net interest income	323.6	314.6	2.9
Net financial income	587.6	592.5	-0.8
Net fees	310.3	292.6	6.0
Net banking income	897.9	885.2	1.4
Net operating expenses ^(c)	-287.4	-257.9	11.4
<i>of which: staff expenses</i>	<i>-119.6</i>	<i>-114.8</i>	<i>4.2</i>
Operating result	610.5	627.2	-2.7
Provisions and charges related to the banking system and other one-off charges	-101.7	-118.6	-14.2
Adjustments to non-performing loans	-3.3	1.8	n.a.
Profit before taxation ^(e)	544.5	510.5	6.7
Net profit	455.6	413.1	10.3

PERFORMANCE INDICATORS

	31.12.2025	31.12.2024	CHANGE %
Cost income ratio ^{(c) (d)}	32.0%	29.1%	9.9
EBTDA ^(c)	652.5	665.6	-2.0
ROE ^(a)	32.4%	33.4%	-3.2
ROA ^(b)	0.4%	0.4%	1.2
EPS – Earnings per share (euros)	3.99	3.62	10.2

NET INFLOWS

(€ MILLION) (ASSORETI DATA)	31.12.2025	31.12.2024	CHANGE %
Funds and Sicavs	935	390	139.7
Financial wrappers	1,797	1,574	14.2
Insurance wrappers	78	891	-91.2
Managed solutions	2,810	2,855	-1.6
Traditional life insurance policies	512	341	50.1
Assets under Custody	2,076	1,523	36.3
Total	6,840	6,648	2.9

TOTAL CLIENT ASSETS

(€ BILLION) (ASSORETI DATA)	31.12.2025	31.12.2024	CHANGE %
Funds and Sicavs	25.8	24.2	6.7
Financial wrappers	13.3	11.9	12.5
Insurance wrappers	12.4	12.0	2.7
Managed solutions	51.5	48.1	7.1
Traditional life insurance policies	15.7	14.9	5.3
AUC & Banking under Advisory	7.3	6.3	15.3
Assets under Custody	25.5	22.2	15.1
Total	111.9	102.7	9.0

NET EQUITY

(€ million)	31.12.2025	31.12.2024	CHANGE %
Net equity	1,464.4	1,350.9	8.4
Own funds	1,013.5	909.0	11.5
Excess capital	485.3	507.3	-4.3
Total Capital Ratio	21.2%	24.6%	-13.7

- (a) Ratio of net result to the arithmetic average of net equity, including net profit, at the end of the year and at the end of the previous year.
- (b) Ratio of net result for the year to year-end exact total client assets within Assoreti's scope and total client assets within the Swiss market, annualised.
- (c) For the purpose of a better understanding of operating performance, mandatory contributions (of both an ordinary and extraordinary nature) paid to funds for the protection of the banking system (Italian Interbank Deposit Protection Fund, European Single Resolution Fund and Italian National Resolution Fund) and to the insurance system (Guarantee Fund for the Life Insurance Sector) have been reclassified from the administrative expenses aggregate to a separate item. The restatement better represents the evolution of the costs linked to the Bank's operating structure by separating them from the systemic charges incurred.
- (d) The cost/income ratio measures the ratio of operating expenses to net operating income.
- (e) Profit before "current" taxation including the extraordinary tax reimbursement (39.0 million euros) following the Judgment of the European Court of Justice No. 599 of 1 August 2025.

Considering Banca Generali Group's operating structure, the report on consolidated figures better meets the needs of a valid representation of the performance of the profit and loss and balance sheet items than an analysis of the Bank's aggregates alone.

Accordingly, these comments complete the consolidated information to which primary reference should be made.

Operating result and performance of the main net equity aggregates

Operating result²³

Banca Generali closed 2025 with net profit of approximately 455.6 million euros, up compared to 413.1 million euros reported at the end of the previous year (+42.4 million euros; +10.3%).

PROFIT AND LOSS ACCOUNT

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Net interest income	323,633	314,561	9,072	2.9%
Net income (loss) from trading activities	13,060	20,213	-7,153	-35.4%
Dividends	250,908	257,769	-6,861	-2.7%
<i>of which: dividends from equity investments</i>	<i>249,550</i>	<i>256,460</i>	<i>-6,910</i>	<i>-2.7%</i>
Net financial income	587,601	592,543	-4,942	-0.8%
Fee income	867,906	817,167	50,739	6.2%
Fee expense	-557,595	-524,544	-33,051	6.3%
Net fees	310,311	292,623	17,688	6.0%
Net banking income	897,912	885,166	12,746	1.4%
Staff expenses	-119,622	-114,807	-4,815	4.2%
Other general and administrative expenses (net of duty recoveries)	-134,804	-119,536	-15,268	12.8%
Net adjustments of property, equipment and intangible assets	-41,960	-38,392	-3,568	9.3%
Other operating expenses/income	8,965	14,811	-5,846	-39.5%
Net operating expenses	-287,421	-257,924	-29,497	11.4%
Operating result	610,491	627,242	-16,751	-2.7%
Net adjustments to non-performing loans	-3,256	1,837	-5,093	n.a.
Net provisions	-95,474	-105,829	10,355	-9.8%
Contributions and charges related to the banking and insurance system	-3,238	-12,592	9,354	-74.3%
Gains (losses) from investments and equity investments	-3,027	-171	-2,856	n.a.
Extraordinary tax reimbursement	39,049	-	39,049	n.a.
Operating profit before taxation	544,545	510,487	34,058	6.7%
Income taxes for the year on operating activities	-88,994	-97,365	8,371	-8.6%
Net profit	455,551	413,122	42,429	10.3%

²³ For the purpose of a better understanding of operating performance, the following reclassifications have been made in the presentation of the reclassified Profit and Loss Account:

- 1) reclassification to the net fee aggregate of the provisions for incentives related to sales and recruitment plans; the net provisions aggregate was restated net of these items, amounting to 19.3 million euros in 2025 and to 15.7 million euros in 2024;
- 2) reclassification to the other general and administrative expenses aggregate of taxes recovered from customers, accounted for among other operating income and expenses and amounting to 129.5 million euros in 2025 and to 118.9 million euros in 2024;
- 3) reclassification of the costs of the mandatory contributions paid by the Bank, pursuant to the DSGD and BRRD for the protection of the banking system (contributions to the Italian Interbank Deposit Protection Fund and the European Single Resolution Fund) and to the new Guarantee Fund for the Life Insurance Sector, from the general and administrative expenses aggregate to a separate item not included in the net operating expenses aggregate; this restatement aligns the Bank's disclosure with the most widespread market practices and enables a better presentation of the performance of costs more closely connected to the Bank's operating structure by separating them from the amount of the systemic charges incurred;
- 4) reclassifications of non-recurring adjustments of non-performing POCI exposures arising from the rights of recourse related to the enforcement of guarantees and of amounts receivable in relation to usufruct rights on coupons, amounting to 16.0 million euros, into the net provisions for liabilities and contingencies aggregate;
- 5) reclassification of the reimbursement of prior years' IRAP on dividends from EU subsidiaries, as well as of the related interest accrued and the taxes for the year to a separate item.

Reclassified net banking income, net of the dividends distributed by the Banking Group's investees, rose by approximately 19.7 million euros (+3.1%) compared to the previous year, primarily due to the increase in net fees (+17.7 million euros) and, to a lesser extent, to net interest income (+9.1 million euros). By contrast, net income from trading activities declined by 7.1 million euros.

In detail, **net interest income** totalled 323.6 million euros. Interest income amounted to 444.3 million euros, down 36.2 million euros (-7.5%) compared to 2024, mainly due to the decline in interest income on loans to customers (-25.7 million euros) and to banks (-15.5 million euros), attributable to a context of declining interest rates. Interest expense was 120.7 million euros, decreasing by 45.3 million euros (-27.3%) compared to the previous year as a result of the decline in interest expense on customers current account deposits (-38.0 million euros) and on repurchase agreement transactions with both banks and customers (-5.6 million euros).

The net contribution of transactions with the ECB and the Bank of Italy stood at +10.5 million euros.

Interim and final dividends distributed by the Luxembourg-based subsidiary BG Fund Management Luxembourg S.A. went from 256.5 million euros for 2024 to 249.6 million euros for the year.

Net income from trading activities was positive at 14.4 million euros, down 7.1 million euros compared to the previous year chiefly due to the 6.3 million euro capital loss recognised on the Forward Fund in the year, although partly offset by the contribution of currency transactions (+8.6 million euros) and gains on disposal of debt securities allocated to the HTCS and HTC portfolios (+10.5 million euros).

Net fees totalled 310.3 million euros, up 6.0% compared to the previous year.

NET FEES

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Fees for portfolio management	151,493	132,083	19,410	14.7%
Fees for the placement of securities and UCITS	329,750	314,215	15,535	4.9%
Fees for distribution of third-party financial products	251,771	243,439	8,332	3.4%
Fees for trading, receipt of orders, and custody of securities and currencies	59,971	56,055	3,916	7.0%
Advisory fees	62,644	57,416	5,228	9.1%
Fees for collection and payment services	3,475	4,016	-541	-13.5%
Fees for other banking services	8,802	9,943	-1,141	-11.5%
Total fee income	867,906	817,167	50,739	6.2%
Fees for off-premises offer	532,766	499,605	33,161	6.6%
Fees for collection and payment services	2,589	3,128	-539	-17.2%
Fees for trading and securities custody	11,055	10,968	87	0.8%
Fees for portfolio management	538	693	-155	-22.4%
Fees for other banking services	10,647	10,150	497	4.9%
Total fee expense	557,595	524,544	33,051	6.3%
Net fees	310,311	292,623	17,688	6.0%

Fee income from the solicitation of investment and asset management of households reached 733.0 million euros, with an increase compared to 2024 (+6.3%).

Within this aggregate, fees for placement of UCITS units grew (+10.1 million euros; +3.6%) as did fee income for discretionary mandates — which stood at 151.5 million euros, up +14.7% compared to the previous year — and fee income for the distribution of insurance products (+7.9 million euros; +3.3%). Fee income for bond placement grew by 17.0% (+5.5 million euros).

ASSET MANAGEMENT FEE INCOME

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
1. Individual portfolio management	151,493	132,083	19,410	14.7%
Fees for portfolio management	151,493	132,083	19,410	14.7%
1. Placement of Banking Group's UCITS units	152,159	141,619	10,540	7.4%
2. Placement of UCITS units	139,955	140,434	-479	-0.3%
3. Bond placement	37,636	32,161	5,475	17.0%
<i>of which: certificates</i>	30,869	28,683	2,186	7.6%
4. Distribution of portfolio management services	2,164	1,704	460	27.0%
5. Distribution of insurance products	249,167	241,286	7,881	3.3%
6. Distribution of other third-party financial services	440	450	-10	-2.2%
Fees for the placement and distribution of third-party services	581,521	557,654	23,867	4.3%
Total	733,014	689,737	43,277	6.3%

Fee expense, including fee provisions, amounted to 557.6 million euros, up 6.3% compared to the previous year, mostly due to the increase in fees paid to the BG Network for off-premises offers (+33.2 million euros; +6.6%).

The Bank's ratio of total payout to total fee income was 64.2%, substantially in line with 2024.

Net of fees paid back on net interest income²⁴, the Bank's ratio of total payout to total fee income (net of performance fees) was 63.2%, slightly up compared to 62.4% for 2024.

Other net fees from banking services offered to customers included fees for trading, order collection, custody and administration, advisory fees and fees charged to customers for account-keeping expenses and other services. This aggregate stood at 110.1 million euros, up approximately 7.6 million euros compared to the previous year, thanks to the expansion of advisory services and financial brokerage activities.

Operating expenses, including staff expenses, other general and administrative expenses, amortisation and depreciation and other operating income and expenses, amounted to 287.4 million euros, increasing by 29.5 million euros compared to the previous year (+11.4%).

The **cost/income ratio**, which measures the ratio of operating expenses to net operating income, including dividends received from the Banking Group's companies, amounted to 32.0%, up compared to 2024 (29.1%).

OPERATING EXPENSES

(€ THOUSAND)	2025	2024	CHANGE	
			AMOUNT	%
Staff expenses	119,622	114,807	4,815	4.2%
Other general and administrative expenses (net of duty recoveries)	134,804	119,536	15,268	12.8%
Net adjustments of property, equipment and intangible assets	41,960	38,392	3,568	9.3%
Other income and expenses (net of duty recoveries)	-8,965	-14,811	5,846	-39.5%
Operating expenses	287,421	257,924	29,497	11.4%

Staff expenses, including employees, interim staff and directors, reached about 119.6 million euros, up 4.8 million euros (+4.2%) compared to the previous year, as a result of the organic workforce growth.

Bank employees were 1,066 at year-end, with an increase of 51 compared to 2024.

²⁴ The numerator of the total payout ratio does not include 9.4 million euro fee expense that was paid back to the BG Network, calculated on the basis of net interest income (14.8 million euros for 2024). At 31 December 2025, the ratio of said fees to net interest income was 2.9%.

Other general and administrative expenses, net of recoveries of taxes paid by clients, amounted to 134.8 million euros, increasing compared to 2024 (+12.8%). The increase was due to higher costs incurred for the acquisition of Intermonte Group and to non-core items mainly attributable to Mediobanca's Public Voluntary Exchange Offer, the launch of new strategic projects and internal efficiency-building initiatives.

Provisions, contributions and charges related to the banking and insurance system and net adjustments totalled 105.0 million euros compared to 116.8 million euros for 2024 (-10.1%).

In detail, **net provisions** not related to fees²⁵ amounted to 95.5 million euros, down 10.4 million euros compared to the previous year, mainly attributable to lower actuarial provisions for contractual indemnities and the previous year's one-off impact of the reactivation of the personnel rejuvenation provision, partly offset by the increase in non-recurring provisions.

In the year, non-recurring provisions and value adjustments amounted to a net 61.5 million euros (+8.5 million euros compared to the previous year), made to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues. In detail, 45.5 million euro provisions referred to the commercial initiatives for customers, including guarantees issued. Adjustments included 16.0 million euros (15.7 million euros net of 0.3 million euro receivables for late payment interest) referring to value adjustments to the rights of recourse related to the enforcement of guarantees and of amounts receivable in relation to usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024 (4.8 million euros).

Net of these items, **net adjustments** stood at 3.3 million euros compared to net reversals of 1.9 million euros at year-end 2024. They are attributable to higher adjustments to the non-performing banking book (+2.3 million euros compared to 2024). Provisions for expected credit losses (ECLs) on the portfolio of debt securities recorded net adjustments of 0.2 million euros, up compared to 2024, chiefly as a result of the higher volumes of the HTCS portfolio, offset by an overall decline in the risk profiles. It should be noted that the 2024 positive figure had been the result of a +2.5 million euro increase in reversals of provisions for expected credit losses (ECLs) on loans to banks and customers.

Contributions and charges related to the banking and insurance system totalled 3.2 million euros, including the 2,417 thousand euro estimated contribution to the new Guarantee Fund for the Life Insurance Sector and, for the remainder, the contribution called-in by the Italian Interbank Deposit Protection Fund in the year. At 31 December 2024, this item had also included the last instalment to the contributions to the Italian Interbank Deposit Protection Fund.

Provisions, contributions and charges related to the banking and insurance systems and net adjustments included one-off charges associated with the future disposal of the equity investment in BG Saxo SIM S.p.A.

The item **Extraordinary taxes** amounting to a net 39 million euros refers to the refund of the IRAP tax paid in prior years following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 concerning the joined cases from C-92/24 to C-94/24 (so-called "Mediolanum Judgment"). For further details, reference is made to the Consolidated Report on Operations.

Total receivables from Tax Authorities amounted to 37.6 million euros at 31 December 2025, to which 2.2 million euro interest income was added for late reimbursement, subject to an IRES/IRAP taxation of -0.7 million euros. The net impact recognised in the Profit and Loss Account was 39 million euros.

With reference to 2025, the above-mentioned regulatory framework led to a 5.6 million euros decline in the IRAP tax due.

Net of the aforementioned impact of extraordinary taxes, the tax burden for the year was 89.0 million euros, with an overall tax rate of 17.6%, down compared to 19.1% for the previous year due to the lower IRAP paid following the introduction of the above-mentioned new regulatory framework, partly offset by the lower incidence of the total amount of dividends received from Group companies.

²⁵ Fee provisions, which amounted to 19.3 million euros (15.7 million euros in 2024), are recognised under the fee expense aggregate.

Performance of the main balance sheet aggregates

At the end of 2025, total assets amounted to 18.2 billion euros, increasing by 1.5 billion euros compared to the end of 2024 (+9.0%).

Total net inflows reached 15.8 billion euros (+9.2%); the most significant increase was reported by loans to customers (+1.3 billion euros), largely attributable to the expansion of current account deposits and repurchase agreement transactions.

The volume of core loans at the end of the year was 16.8 billion euros (+7.8%).

ASSETS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Financial assets at fair value through profit or loss	574,467	512,209	62,258	12.2%
Financial assets at fair value through other comprehensive income	3,545,783	1,521,864	2,023,919	133.0%
Financial assets measured at amortised cost:	12,664,877	13,534,714	-869,837	-6.4%
a) loans to banks ^(*)	3,575,238	3,717,817	-142,579	-3.8%
b) loans to customers	9,089,639	9,816,897	-727,258	-7.4%
Hedging derivatives	153,464	131,220	22,244	17.0%
Equity investments	183,384	72,264	111,120	153.8%
Property, equipment and intangible assets	269,694	261,300	8,394	3.2%
Tax assets	147,392	85,796	61,596	71.8%
Other assets	643,797	562,907	80,890	14.4%
HFS assets	1,508	227	1,281	n.a.
Total assets	18,184,366	16,682,501	1,501,865	9.0%

(*) Demand deposits with the ECB and current accounts and demand deposits with banks have been reclassified among loans to banks.

NET EQUITY AND LIABILITIES

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Financial liabilities measured at amortised cost:	15,837,008	14,504,824	1,332,184	9.2%
a) due to banks	259,774	359,073	-99,299	-27.7%
b) due to customers	15,477,153	14,145,751	1,331,402	9.4%
c) debt securities outstanding	100,081	-	100,081	n.a.
HFT financial liabilities	70,014	109	69,905	n.a.
Hedging derivatives	188,984	176,947	12,037	6.8%
Adjustment to macro-hedged financial liabilities (+/-)	-4,532	2,142	-6,674	n.a.
Tax liabilities	8,402	16,821	-8,419	-50.1%
Other liabilities	287,631	289,741	-2,110	-0.7%
Special purpose provisions	332,484	341,054	-8,570	-2.5%
Valuation reserves	-2,726	5,911	-8,637	-146.1%
Equity instruments	100,000	100,000	-	-
Reserves	838,344	749,854	88,490	11.8%
Share premium reserve	52,457	52,392	65	0.1%
Share capital	116,852	116,852	-	-
Treasury shares (-)	-96,103	-87,268	-8,835	10.1%
Net profit (loss) for the year (+/-)	455,551	413,122	42,429	10.3%
Total liabilities and net equity	18,184,366	16,682,501	1,501,865	9.0%

Direct Inflows from customers amounted to approximately 15.5 billion euros, up 1.3 billion euros compared to 31 December 2024, chiefly as a result of the combined effect of the aforementioned increase in repurchase agreement transactions (+0.6 billion euros) and in current account deposits (+0.9 billion euros) and the decline in term deposits (-0.2 billion euros).

DUE TO CUSTOMERS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
1. Current accounts and demand deposits	13,638,995	12,696,646	942,349	7.4%
2. Term deposits	60,823	244,069	-183,246	-75.1%
3. Financing	1,470,851	886,084	584,767	66.0%
Repurchase agreements	1,336,525	779,115	557,410	71.5%
Collateral margins	134,326	106,969	27,357	25.6%
4. Other debts	306,484	318,952	-12,468	-3.9%
Operating debts to the BG Network	149,100	172,532	-23,432	-13.6%
IFRS 16-related lease liabilities	130,213	125,877	4,336	3.4%
Other (money orders, amounts at the disposal of customers)	27,171	20,543	6,628	32.3%
Total due to customers	15,477,153	14,145,751	1,331,402	9.4%
Debt securities outstanding	100,081	-	100,081	0.0%
Total due to customers and securities	15,577,234	14,145,751	1,431,483	10.1%

Captive inflows from subsidiaries and the companies within Assicurazioni Generali Group, net of IFRS 16-related financial liabilities (51.5 million euros), increased by 41.9 million euros to approximately 369.7 million euros at year-end, thus accounting for 2.4% of total inflows.

INFLOWS FROM CUSTOMERS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Inflows from subsidiaries	39,404	11,035	28,369	257.1%
Inflows from Parent Company	55,719	78,796	-23,077	-29.3%
Inflows from other subsidiaries	223,093	177,536	45,557	25.7%
IFRS 16-related lease financial liabilities	51,455	60,407	-8,952	-14.8%
Total inflows from Generali Group	369,671	327,774	41,897	12.8%
Inflows from other parties	15,107,482	13,817,977	1,289,505	9.3%
of which: current accounts	13,320,779	12,429,279	891,500	7.2%
Total inflows from customers	15,477,153	14,145,751	1,331,402	9.4%

Inflows from customers external to the Insurance and Banking Group continued to be driven by demand current account deposits, which grew by about 0.9 billion euros to 13,321 million euros.

The non-interest-bearing debt position consisted of other sums available to customers, partly relating to claims settlement activities by the Group's companies (money orders) and to accounts payable to the BG Network for the placement of financial products and services. This item decreased mainly as a result of the decline in the debt exposure to Financial Advisors.

Item "Debt securities outstanding", amounting to 100.1 million euros, referred to the debt arising from the issue of the MREL-eligible bond in December 2025, fully subscribed by the parent company Assicurazioni Generali S.p.A.

Core loans totalled 16.8 billion euros overall, up 1.2 billion euros (+7.8%) compared to 31 December 2024, mainly as a consequence of higher investments in the portfolio of financial asset, which grew by approximately 1.5 billion euros (+12.9%), partly offset by the decline in loans to banks (-0.5 billion euros; -30.6%).

CORE LOANS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Financial assets measured at fair value through profit or loss	574,467	512,209	62,258	12.2%
Financial assets measured at fair value through other comprehensive income	3,545,783	1,521,864	2,023,919	133.0%
Financial assets measured at amortised cost	12,664,877	13,534,714	-869,837	-6.4%
a) Loans to banks	3,575,238	3,717,817	-142,579	-3.8%
Deposits and financing ^(*)	1,168,693	1,684,452	-515,759	-30.6%
Debt securities	2,399,023	2,023,016	376,007	18.6%
Other operating loans	7,522	10,349	-2,827	-27.3%
b) Loans to customers	9,089,639	9,816,897	-727,258	-7.4%
Loans	2,519,986	2,307,388	212,598	9.2%
Debt securities	6,305,832	7,305,520	-999,688	-13.7%
Other operating loans	263,821	203,989	59,832	29.3%
Total core loans	16,785,127	15,568,787	1,216,340	7.8%

(*) ECB demand deposits included.

Loans to customers reached 2,520.0 million euros, up compared to year-end 2024 (+9.2%), as a result of the growth in current account overdraft facilities.

LOANS, OPERATING LOANS AND OTHER LOANS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Current accounts	1,988,537	1,748,012	240,525	13.8%
Mortgages and personal loans	496,091	549,752	-53,661	-9.8%
Other financing and loans not in current accounts	8,024	9,624	-1,600	-16.6%
Reverse repurchase agreements	27,334	-	27,334	n.a.
Total loans	2,519,986	2,307,388	212,598	9.2%
Operating loans to management companies	101,440	95,880	5,560	5.8%
Sums advanced to Financial Advisors	53,721	55,517	-1,796	-3.2%
Stock exchange interest-bearing daily margin	72,876	27,931	44,945	160.9%
Charges to be debited and other loans	35,784	24,661	11,123	45.1%
<i>of which: rights of recourse and usufruct rights</i>	<i>20,984</i>	<i>15,790</i>	<i>5,194</i>	<i>32.9%</i>
Operating loans and other loans	263,821	203,989	59,832	29.3%
Debt securities	6,305,832	7,305,520	-999,688	-13.7%
Total loans to customers	9,089,639	9,816,897	-727,258	-7.4%

Operating loans and other loans amounted to 263.8 million euros, up 29.3% mainly due to the increase in daily margins on derivative and repurchase agreement transactions.

This aggregate included 21.0 million euros for the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues. Amounts receivable as a result of the transfer by the Bank's customers of usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024 (4.8 million euros) were fully written off in the year. These amounts receivable were recognised among loans to customers measured at amortised cost and classified as purchased or originated credit impaired (POCI).

Net non-performing loans amounted to approximately 14.5 million euros, accounting for 0.6% of total loans to customers, declining compared to the previous year (-4.1 million euros).

The positions classified among non-performing loans are mostly exposures to current account overdrafts repayable on demand secured by financial collateral in the form of pledges of financial instruments and/or financial products; there are only a few cases of mortgage loans supported by real estate collateral or unsecured credit facilities or credit facilities covered only by personal guarantees.

At the end of the year, non-performing loans included 5.3 million euros referring to exposures originating in the portfolio of Banca del Gottardo Italia, fully covered by the loan indemnity granted by BSI S.A.²⁶ upon the sale of the said company and mainly secured to that end by cash collateral payments by the counterparty.

Net of this aggregate, non-performing exposures on loans to customers amounted to 9.2 million euros and consisted for 79.8% of credit facilities secured by financial collaterals mainly in the form of pledges on financial instruments and/or similar products, such as policy surrender mandate.

Unsecured exposures on loans to customers, for which risk is effectively borne by the Bank, amounted to just 1.9 million euros, or around 0.1% of total loans to customers.

(€ THOUSAND)	31.12.2025				31.12.2024				DELTA	CHANGE %
	BAD LOANS	UNLIKELY TO PAY	PAST-DUE AND/OR EXPIRED EXPOSURES	TOTAL	BAD LOANS	UNLIKELY TO PAY	PAST-DUE AND/OR EXPIRED EXPOSURES	TOTAL		
Gross exposure	16,882	2,973	13,125	32,980	19,949	3,967	10,392	34,308	-1,328	-4%
Adjustments	11,320	1,703	5,483	18,506	10,270	1,481	3,950	15,701	2,805	18%
Total net exposure	5,562	1,270	7,642	14,474	9,679	2,486	6,442	18,607	-4,133	-22%
Gross exposure	13,382	-	-	13,382	13,216	-	-	13,216	166	1%
Adjustments	8,099	-	-	8,099	8,060	-	-	8,060	39	0%
Exposure guaranteed by net indemnity	5,283	-	-	5,283	5,156	-	-	5,156	127	2%
Gross exposure	3,500	2,973	13,125	19,598	6,733	3,967	10,392	21,092	-1,494	-7%
Adjustments	3,221	1,703	5,483	10,407	2,210	1,481	3,950	7,641	2,766	36%
Exposure net of indemnity	279	1,270	7,642	9,191	4,523	2,486	6,442	13,451	-4,260	-32%
Net guaranteed exposure	147	1,153	6,037	7,337	4,286	2,098	4,673	11,057	-3,720	-34%
Net exposure not guaranteed	132	117	1,605	1,854	237	388	1,769	2,394	-540	-23%

At 31 December 2025, the **interbank position**, net of the securities portfolio and operating loans, showed a net credit balance of 908.9 million euros, down compared to a net credit imbalance of 1,325.4 million euros at the end of the previous year.

This result was essentially attributable to the decrease in demand deposits with the ECB (-568.1 million euros) and in correspondent accounts for lending purposes (-107.7 million euros).

Repurchase agreements with banks grew by 25.9% (+100.4 million euros), offset by a 31.7% decline in funding transactions (-86.3 million euros).

²⁶ As of 7 April 2017, the Swiss operations of BSI S.A. were totally transferred to EFG Bank AG - Lugano Branch, as per the Swiss law on mergers.

NET INTERBANK POSITION

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Repayable on demand	303,347	979,129	-675,782	-69.0%
Demand deposits with ECB and Bank of Italy	275,015	843,070	-568,055	-67.4%
Correspondent accounts	28,332	136,059	-107,727	-79.2%
Time deposits	865,346	705,323	160,023	22.7%
Minimum reserve	128,547	119,013	9,534	8.0%
Term deposits and current accounts	62,178	33,064	29,114	88.1%
Repurchase agreements	487,477	387,089	100,388	25.9%
Collateral margins	187,144	166,157	20,987	12.6%
Total loans to banks	1,168,693	1,684,452	-515,759	-30.6%
Due to banks	259,774	359,073	-99,299	-27.7%
Correspondent accounts	60,734	69,461	-8,727	-12.6%
Term deposits	-	3,001	-3,001	-100.0%
Repurchase agreements	186,023	272,338	-86,315	-31.7%
Collateral margins	7,550	8,932	-1,382	-15.5%
Other debts	5,467	5,341	126	2.4%
Total due to banks	259,774	359,073	-99,299	-27.7%
Net interbank position	908,919	1,325,379	-416,460	-31.4%
Debt securities	2,399,023	2,023,016	376,007	18.6%
Other operating loans	7,522	10,349	-2,827	-27.3%
Total interbank position	3,315,464	3,358,744	-43,280	-1.3%

(*) Reclassified from Item 10 – Cash and deposits – Demand deposits to Central Banks.

Equity investments amounted to 183.4 million euros at 31 December 2025, up 111.1 million euros compared to 31 December 2024. This increase was attributable for 97.7 million euros to the acquisition of Intermonte Group at the end of January 2025 following the voluntary tender offer launched by Banca Generali in September 2024. The residual increase was instead due to the contribution to the subsidiary BG Suisse S.A.'s capital increase (+16.4 million euros).

As regards to the equity investment in BG Saxo SIM S.p.A., a company subject to joint control, the parties reached an agreement for its disposal at the end of December, which is expected to be signed in February 2026, whereas the disposal will be finalised upon receipt of the authorisations from the Supervisory Authorities.

Accordingly, the equity investment in BG Saxo SIM S.p.A. was reclassified among non-current assets available for sale recognising an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

Provisions for liabilities and contingencies declined by -8.6 million euros in the year, largely due to the utilisation of the provision for other liabilities and contingencies and the increase in provisions for commitments and guarantees issued in favour of customers and in provisions for contractual indemnities to the BG Network, as described above.

Net equity and regulatory aggregates

At 31 December 2025, net equity, including net profit for the year, amounted to 1,464.4 million euros compared to 1,350.9 million euros at the end of the previous year.

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Share capital	116,852	116,852	-	-
Share premium reserve	52,457	52,392	65	0.1%
Reserves	838,344	749,854	88,490	11.8%
(Treasury shares)	-96,103	-87,268	-8,835	10.1%
Valuation reserves	-2,726	5,911	-8,637	-146.1%
Equity instruments	100,000	100,000	-	-
Net profit (loss) for the year	455,551	413,122	42,429	10.3%
Total net equity	1,464,375	1,350,863	113,512	8.4%

The change in net equity during the reporting period was influenced by the portion of dividends paid, the change in the reserves for share-based payments (IFRS 2), the change in fair value valuation reserves for the portfolio of HTCS financial assets and other reserves included in other comprehensive income, in addition to the net profit for the period.

CHANGE IN NET EQUITY

31.12.2025

Net equity at year-start	1,350,863
Dividends approved and distributed	-319,989
Dividends on AT1 equity instruments	-4,858
Buy-back/disposal of treasury shares	-18,864
Matured IFRS 2 reserves	17,625
Change in OCI valuation reserves	-8,637
Substitute Windfall Tax	-7,316
Net profit (loss) for the year	455,551
Net equity at year-end	1,464,375
Change	113,512

Valuation reserves amounted to -2.7 million euros, with a net decrease of 8.6 million euros due to the decline in the cash flow hedge reserve (-2.4 million euros) and in the fair value valuation reserves of the portfolio of financial assets measured at fair value through other comprehensive income (-6.2 million euros).

The latter declined mainly as a result of both the government bonds portfolio, for which net reserves amounted to 0.7 million euros compared to 3.7 million euros at end of the previous year, and of equity securities portfolio, which decreased by 3.2 million euros.

Own funds amounted to 1,013.5 million euros, with an increase of 104.4 million euros compared to 31 December 2024.

31.12.2025

Own funds at year-start	909,012
Change in Tier 1 capital	
Purchase and sale of treasury shares	-18,864
Reallocation to equity reserve of the previous year's dividend	7,196
Dividend payout on AT1 equity instruments	-4,858
Regulatory provisions for retained earnings for the year	116,682
Matured IFRS 2 reserves	17,624
Change in OCI valuation reserves	-6,213
Change in goodwill and other intangibles, net of DTLs	4,396
Negative prudential filters and other negative items	-4,209
Substitute Windfall Tax	-7,316
Total changes in Tier 1 capital	104,438
Own funds at year-end	1,013,450

At year-end, the aggregate capital for regulatory purposes recorded 485.3 million euros in excess of the amount required to cover credit, market, and operational risks. Total Capital Ratio (TCR) was 21.2% compared to the minimum requirement of 11.0%.

Capital absorption grew by 86.5 million euros (+29.2%), chiefly as a result of a significant change in the methodology used to calculate the operational risk requirement (+63.5 million euros), introduced under the new Basel 3 regulatory framework (CRR3/CRD IV).

OWN FUNDS AND CAPITAL RATIOS

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
Total Common Equity Tier 1 capital (CET1)	913,450	809,012	104,438	12.9%
Total Additional Tier 1 capital (AT1)	100,000	100,000	-	-
Total Tier 2 capital (T2)	-	-	-	n.a.
Total own funds	1,013,450	909,012	104,438	11.49%
Credit risk	232,728	210,007	22,721	10.8%
Market risk	243	1	242	n.a.
Operational risk	149,704	86,181	63,523	73.7%
Total own funds absorbed (Pillar I)	382,675	296,189	86,486	29.2%
Total SREP minimum requirements (Pillar II)	528,134	401,748	126,386	31.5%
Excess over SREP minimum requirements	485,316	507,264	-21,948	-4.3%
Risk-weighted assets	4,783,438	3,702,363	1,081,075	29.2%
CET1/Risk-weighted assets	19.1%	21.9%	-2.8%	-12.6%
Tier 1/Risk-weighted assets	21.2%	24.6%	-3.4%	-13.7%
Own funds/Risk-weighted assets (Total Capital Ratio)	21.2%	24.6%	-3.4%	-13.7%

Treasury shares

At 31 December 2025, the Parent Company, Banca Generali, held 2,942,019 treasury shares, equal to 2.52% of share capital, with a value of 96,103 thousand euros, intended solely for the service of Remuneration Policies for the Banking Group's Key Personnel.

On 17 April 2025, the General Shareholders' Meeting authorised the repurchase of a maximum of 390,780 treasury shares in service of the 2025 remuneration plans for the Key Personnel of the Banking Group, including Intermonte, and of the new Long Term Incentive Plan (LTIP) for the period 2025-2029. The plan for the buy-back of treasury shares was authorised by the Supervisory Authority on 29 July 2025 and was completed on 30 September 2025, with the last tranches of shares settled at the beginning of October.

The said authorisation also enabled the repurchase of a maximum of 20,000 shares in service of Intermonte's market making activity.

In 2025, on the basis of the achievement of the performance objectives set out in the Remuneration Policy, 376,668 treasury shares, with a value of 11,299 thousand euros, of which 94,026 shares in service of the first instalment of the 2022 LTIP and of the second instalment of the 2020 LTIP, were allotted to the Banking Group's employees and Financial Advisors qualifying as Key Personnel, as well as to network managers.

This aggregate also includes 23,394 Banca Generali shares allotted to Intermonte Group employees in service of the pre-acquisition remuneration policies for financial years 2021-2024.

At the end of the year, Banca Generali thus held 2,942,019 treasury shares, with a value of 96,103 thousand euros, intended solely for the service of Remuneration Policies for the Banking Group's Key Personnel.

During the year, treasury shares showed the following movements:

	NO. OF SHARES	VALUE	AVERAGE PRICE	AVERAGE NO. OF SHARES
Amount at year-start	2,907,907	87,267,830	30.01	2,907,907
Allotments	-376,668	-11,299,447	30.01	-240,807
Purchases	410,780	20,134,765	49.02	120,398
Amount at year-end 31.12.2025	2,942,019	96,103,148	32.67	2,787,498

Pursuant to Article 2357-ter of the Italian Civil Code, as amended by Legislative Decree No. 139/2015, and without prejudice to Bank of Italy Circular No. 262/2015, the value of treasury shares was recognised in the Financial Statements as a reduction to net equity in Item 200 of Liabilities.

It should be noted that, at the end of the year, Intermonte SIM held 1,000 Banca Generali shares it had purchased as part of its market making activity before being acquired by the Banking Group. To date, this activity has been suspended pending the Supervisory Authority's authorisation.

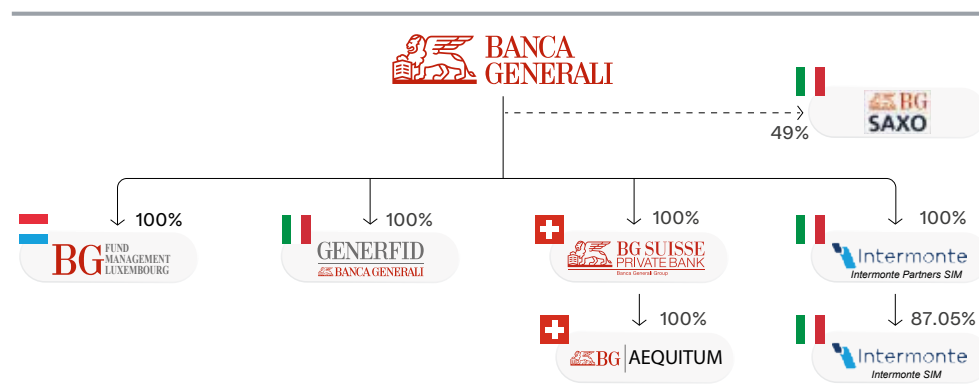
Parent Company shares

At 31 December 2025, Banca Generali held 61,854 shares in the Parent Company, Assicurazioni Generali, broken down as follows:

- › 45,955 shares, originally acquired for the service of stock-option plans and with no restrictions;
- › 15,899 shares repurchased, in the capacity of fund charged with the repurchase of fractions of Assicurazioni Generali shares from free capital increases and with no restrictions.

In the reporting year, the Parent Company shares showed no movements. At 31 December 2025, they were measured at fair value in the amount of 2,211 thousand euros. Pursuant to Article 2359-bis of the Italian Civil Code, a restricted reserve was allocated in relation to the ownership of Parent Company shares.

Performance of subsidiaries



Performance of BG Fund Management Luxembourg S.A.

BG Fund Management Luxembourg S.A. (hereinafter BGFML) is a company under Luxembourg law specialising in the administration and management of the Sicavs promoted by Banca Generali Group (Lux IM Sicav and BG Collection Investments²⁷) and the BG Private Markets Sicav-SIF, reserved for institutional investors, in addition to the BG Equity Infrastructure Fund, which invests in infrastructure projects linked to renewable energy and energy transition. At the beginning of 2026, the new BG Private Markets Solutions Sicav was also launched.

BGFML ended 2025 with net profit of 249.6 million euros, down compared to 288.3 million euros reported at the end of the previous year (-38.7 million euros).

The decline was mainly driven by performance fees, which fell to 113.4 million euros (-51.4 million euros compared to 2024). By contrast, management fees grew to 375.6 million euros compared to 352.60 million euros for 2024 (+23.0 million euros).

Net banking income amounted to 298.7 million euros (-42.7 million euros compared to 2024). Operating expenses were 13.4 million euros (+1.5 million euros compared to 2024), of which 7.6 million euro staff expenses.

²⁷ New name of BG Selection Sicav, effective 22 April 2022.

The company's net equity amounted to 123 million euros, net of 249.6 million euros distributed as interim dividend for 2025 and as final dividend payout for 2024.

Overall, assets under management at 31 December 2025 amounted to 25,320 million euros, up 2,034 million euros compared to 23,286 million euros at 31 December 2024.

Performance of Generfid S.p.A.

Generfid S.p.A., a company specialised in fiduciary registration of assets, ended 2025 with a slight net loss and net equity amounting to just below 1 million euros.

Net banking income amounted to approximately 1.5 million euros and virtually covered operating expenses.

Total client assets stood at 1,499 million euros (1,402 million euros at 31 December 2024).

Performance of BG Aequitum S.A.

BG Valeur S.A., which became part of Banca Generali Group on 15 October 2019, is a private banking and wealth management boutique based in Lugano, Switzerland.

Banca Generali, which had held a 90.1% majority interest in the company since 2019, acquired the remaining 9.9% interest from the minority shareholders in the first half of 2024.

This transaction was aimed at subsequently transferring the 100% interest in the company to BG (Suisse) Private Bank S.A., finalised in October 2024.

On 31 October 2025, BG (Suisse) Private Bank S.A. finalised the acquisition of a 100% interest in the Lugano-based Swiss company Aequitum Holding S.A. and, through the latter, in the fully owned Aequitum S.A., an Alternative Investment Fund Manager (AIFM) specialised in asset management with approximately CHF 695 million assets under management. Subsequently, following receipt of the competent Supervisory Authorities' authorisation, the two companies were merged into BG Valeur, which then changed its company name into BG Aequitum S.A.

The merger was finalised on 23 December 2025, with retroactive effects for accounting and tax purposes as of 1 November 2025.

The company ended 2025 with net loss of CHF -922.1 thousand (-984.1 thousand euros), calculated based on local GAAP.

Revenues generated mainly from asset management and advisory services amounted to approximately CHF 6.6 million, whereas operating expenses totalled CHF 6.9 million (of which CHF 5.3 million staff expenses).

BG Aequitum S.A.'s net equity recognised in its statutory financial statements totalled CHF 2.4 million at 31 December 2025.

At 31 December 2025, total client assets amounted to 1,315 million euros (1,051 million euros at 31 December 2024).

Performance of BG (Suisse) Private Bank S.A.

BG (Suisse) Private Bank S.A., a joint-stock company under Swiss law based in Lugano, incorporated by Banca Generali on 8 October 2021 through an initial contribution of CHF 10 million with the aim of creating a new cross-border private service hub able, on the one hand, to serve its customers in Switzerland through local bankers, offering its advisory, planning and wealth protection services through a wide range of investment services and, on the other hand, to offer new opportunities to Italian customers who have long chosen to keep part of their diversified positions in the Swiss market.

In January 2022, the company filed with the Swiss Financial Market Supervisory Authority (FINMA) an application to obtain the banking licence.

On 5 September 2023, the company finally obtained the FINMA's preliminary authorisation to start the banking activity, subject to compliance with certain requirements, including an adequate level of own funds.

Accordingly, on 14 September 2023, Banca Generali carried out a further capital increase of CHF 40 million aimed at increasing the company's statutory share capital as required by the new Articles of Association.

After satisfaction of the said requirements, the final authorisation was issued on 7 November 2023 and the bank changed its company name; the new bank started operating on 1 December 2023.

In the first half of 2024, the company's share capital was further increased by CHF 10 million, bringing the share capital fully paid-up since incorporation to CHF 70 million.

In May 2024, the company obtained the licence from the Bank of Italy to operate under the freedom to provide services for the distribution in Italy of current account and securities deposit banking services (21 May 2024), which will take place through Banca Generali's BG Network.

In addition, as mentioned above, in October 2024, the company acquired, through contribution by Banca Generali, a 100% interest in BG Valeur S.A., thus establishing a Swiss banking group. The transaction was authorised by the General Shareholders' Meeting on 8 October 2024.

In detail, BG Suisse, following Banca Generali's transfer of its 100% interest in BG Valeur, consisting of 30,000 registered shares with a nominal value of CHF 100, issued in favour of the latter 12,300 new shares with a nominal value of CHF 1,000, for a total amount of CHF 12.3 million.

In March 2025, Banca Generali then carried out a further capital increase of approximately CHF 15.7 million, also in service of the business expansion through the acquisition of companies specialising in asset management.

As a result of the foregoing, the company's share capital is currently made up of 97,950 shares with a nominal value of CHF 1,000, for a total amount of CHF 97.9 million.

As specified above, on 31 October 2025, BG (Suisse) Private Bank S.A. finalised the acquisition of a 100% interest in the Lugano-based Swiss company Aequitum Holding S.A. and, through the latter, in the 100%-owned Aequitum S.A., an Alternative Investment Fund Manager (AIFM) specialised in asset management, for a total amount of CHF 4.2 million, in addition to a CHF 0.3 million estimated earn-out. Both companies were merged into BG Aequitum on 23 December 2025.

The company ended 2025 with net loss of approximately CHF 19.1 million, calculated based on local GAAP, that accounted for the CHF 6.7 million impairment of the equity investment in BG Aequitum.

Operating expenses totalled CHF 13.5 million (of which CHF 5.3 million staff expenses).

BG Suisse's net equity recognised in its statutory financial statements stood at CHF 49.8 million at 31 December 2025.

Performance of Intermonte Partners SIM S.p.A. and Intermonte SIM S.p.A.

Intermonte Group is made up of Intermonte Partners SIM S.p.A. (holding company), fully owned by Banca Generali, and Intermonte SIM S.p.A. (operating company), 87.05% held by the holding company and 12.95% held by third parties; the Assicurazioni Generali Insurance Group holds another 11.6% interest in Intermonte SIM through Generali Italia S.p.A.

On 16 September 2024, Banca Generali launched a voluntary tender offer in cash aimed at acquiring all the ordinary shares of Intermonte Partners SIM S.p.A. (IT0005460016), listed on the Italian Stock Exchange (EuroNext Growth Milan), for a consideration of 3.04 euros per each share including a premium of 24.0% with respect to the average performance of the previous three months and aimed to collect at least 90% of Intermonte shares, with the intention to delist the shares.

The Tender Offer was finalised on 31 January 2025 with the tender of 30,789,819 shares, equal to approximately 95.332% of the Offer shares. Following the transfer of the share ownership to Banca Generali, the latter paid to the shareholders participating in the Offer a cash consideration for a total of 93,601 thousand euros.

In light of the final results of the Tender Offer, Banca Generali decided to exercise the Right to Squeeze-Out provided for under Article 111 of TUF (thus concurrently fulfilling the corresponding Obligation to Squeeze-Out as per Article 108, paragraph 2, of TUF) on the remaining 1,339,086 shares (excluding treasury shares), equal to 4.146% of the Issuer's share capital, for a total consideration of 4,070.8 thousand euros overall.

This process was completed on 5 February 2025.

Accordingly, Borsa Italiana proceeded with Intermonte's delisting as of the session of Wednesday, 5 February 2025.

Intermonte Group, a leading independent broker with a leadership position in the Italian market and thirty years of consolidated experience and success, stands out for its quality in its areas of activity — Negotiation & Trading, Global Markets, Investment Banking, Digital Division & Advisory and Research — which are complementary and synergistic to Banca Generali's activity and its private banking positioning, in particular with reference to entrepreneurs and small and medium-sized enterprises (SMEs).

This transaction is therefore part of Banca Generali's strategic plan aimed at strengthening its position in the area of investment banking and trading services for corporate and entrepreneurial customers. The acquisition enables to insource key competencies, in particular as regards derivatives and market making, and to expand the strategic advisory services provided to SMEs, in line with entrepreneurial customers' growing demand.

In 2025, a strategic project was launched to reorganise Intermonte Group with the aim of streamlining the ownership structure, the decision-making processes and the operating management. The project provides for:

- › merger of Intermonte Partners SIM into the parent company Banca Generali; and
- › repurchase of all the minority interests still held by third parties.

The merger of Intermonte Partners SIM, which qualified as simplified merger pursuant to Article 2505 of the Italian Civil Code, was approved by the Boards of Directors of the companies in question at the end of September 2025.

Following receipt of the Bank of Italy's authorisation on 17 December 2025, the merger projects were finally approved by the Boards of Directors of the two companies in January 2026 and the merger deed was signed on 19 February 2026.

On 15 January 2026, Banca Generali purchased the minority interests in Intermonte SIM S.p.A. held by Generali Italia S.p.A. (11.6%) and ICCREA Banca S.p.A. (1.34%), for a total amount of 15.1 million euros, therefore achieving full control over the company.

Intermonte Partners SIM S.p.A. closed 2025 with statutory net profit of 4.1 million euros, including 5.0 million euro dividends distributed by the subsidiary Intermonte SIM S.p.A. Net of said dividends, net banking income amounted to -0.5 million euros; operating expenses were 0.4 million euros, most of which referring to staff expenses.

The company's net equity recognised in its statutory financial statements stood at 24.9 million euros at 31 December 2025.

Intermonte SIM S.p.A. closed 2025 with statutory net profit of 7.1 million euros. Net banking income amounted to 45.3 million euros; operating expenses were 35.9 million euros, of which 24.8 million euro staff expenses.

The company's net equity recognised in its statutory financial statements stood at 78.6 million euros at 31 December 2025.

Related Party Transactions

In accordance with Article 2391-bis of the Italian Civil Code, the Consob Regulation containing provisions relating to transactions with related parties adopted through Resolution No. 17221/2010, as further amended (the “**Consob Regulation**”) and the Supervisory Provisions for Banks laid down in Part III, Chapter 11, of Bank of Italy Circular No. 285 of 2013, as further extended and amended, Banca Generali S.p.A.’s Board of Directors has adopted a set of internal normative documents consisting of:

- › the *Policy for Transactions with Related Parties, Connected Parties and Corporate Officers pursuant to Article 136 of TUB* in force from time to time (hereinafter the “**RPT Policy**”);
- › the *Circular on the Management of Transactions with Related Parties and Connected Parties — operating provisions* in force from time to time (the “**RPT Circular**”), which is applicable to all the companies of the Banking Group and has defined rules for executing transactions with related parties and connected parties of Banca Generali and of the Banking Group’s banks and supervised intermediaries with own funds exceeding 2% of consolidated own funds (the “**Single Consolidation Scope**”), in addition to rules aimed at governing the related investigation, approval, reporting and disclosure activities as well as compliance with the prudential limits on risk assets acquired by the Banking Group in respect of connected parties.

Moreover, since Banca Generali belongs to Generali Group, it has determined the need to define certain processes aimed at identifying the transactions effected with related parties of the parent company Assicurazioni Generali and at managing them in accordance with the provisions of the procedures adopted by Assicurazioni Generali in such regard from time to time.

Disclosure on Related Party Transactions

Unusual, atypical or extraordinary transactions

No atypical and/or unusual transactions with related parties or connected parties were completed in 2025 that were likely to have “effects on the safeguarding of the company assets or the completeness and accuracy of information, including accounting information, concerning the issuer”.

Transactions of greater importance

A transaction qualified as a “transaction of greater importance” was carried out in 2025, with characteristics such that none of the exemption cases provided for under the related-party transaction regulations were applicable, resulting in an obligation to publish the related market disclosure document. In detail, on 17 April 2025, Banca Generali’s Board of Directors resolved to sign an addendum amending and supplementing the deed for the distribution of insurance products in place between Banca Generali and Generali Italia S.p.A. (signed in March 2018), also joined by Genertellife S.p.A., subsequently replaced by Alleanza Assicurazioni S.p.A. as a result of the merger of Genertellife S.p.A., effective 1 January 2025.

Pursuant to applicable regulations requiring issuers to report in their interim and annual Directors’ Report on Operations information regarding transactions that are likely to significantly impact the Bank’s financial position or profit or loss results during the reporting period, clearly indicating which transactions have been concluded in application of the exclusion laid down for ordinary transactions concluded at market or standard equivalent conditions, it should also be noted that:

- › on 5 November 2025, the Banks’ Board of Directors approved a related party transaction qualifying as an ordinary transaction of greater importance concerning the issuance, by 31 December 2025, of a preferred senior bond (unsubordinated and unsecured) eligible for MREL purposes, pursuant to Articles 72-bis and 72-ter of Regulation (EU) 575/2013, for an aggregate nominal value of 100 million euros, to be subscribed by Assicurazioni Generali through private placement. To support its assessment, the Bank’s Board of Directors acquired and examined the fairness opinion issued by the financial advisor Deloitte, attesting to the fairness of the general economic terms of the instrument compared to those observed on the market for similar instruments. The Bank reported this transaction to Consob forwarding the specific communication pursuant to and in compliance with Article 13, paragraph 3(c) (i), of Consob Regulation.

Other significant transactions

In 2025, the Bank's Board of Directors approved, with a prior non-binding opinion from the competent Board Committee, the following transactions that could be qualified as "transactions of lesser importance" (i.e., transactions of amounts exceeding the significance threshold, but below that of transactions of greater importance, as defined pursuant to the RPT Policy and identified case by case on a quarterly basis):

1. on 6 March 2025, the Bank's Board of Directors resolved, by signing a set of investment and shareholders' agreements with Generali Italia S.p.A. and Assicurazioni Generali, the establishment of the Data Science & Artificial Intelligence Foundation for scientific research and university and post-graduate training purposes and of the joint-stock company Agorai HUB S.p.A., intended to become an applied research hub;
2. on 17 April 2025, the Bank's Board of Directors authorised Banca Generali to subscribe, in its capacity as a shareholder, the capital increase of BG Saxo SIM S.p.A., offered *pro-rata* to the shareholders of the latter (i.e., Banca Generali and Saxo Bank A/S);
3. on 28 May 2025, the Bank's Board of Directors resolved to sign an advisory contract with Intermonte SIM S.p.A. concerning the provision by the latter of advisory services to be rendered in the context of and in relation to the Public Voluntary Exchange Offer launched by Mediobanca on 28 April 2025 on 100% of Banca Generali shares;
4. on 24 September 2025, the Bank's Board of Directors authorised the granting of a credit facility to Intermonte SIM S.p.A. in two different technical forms (i.e., account overdraft facility and time deposit), with a view to facilitating the gradual replacement of credit facilities with third counterparties and optimising intra-group treasury cash flows and funding, netting revenues and strengthening strategic synergies;
5. on 5 November 2025, the Bank's Board of Directors authorised the purchase of an 11.61% minority interest in the share capital of Intermonte SIM S.p.A. (in which the Bank already indirectly held — through Intermonte Partners SIM S.p.A. — an 87.5% interest) from Generali Italia S.p.A., at a purchase price of 2.53 euros per each share, as considered fair following the fairness opinion issued by the financial advisor Deloitte.

Ordinary or recurring transactions

Transactions of an ordinary or recurring nature carried out in 2025 with related parties and connected parties fall within the Bank's ordinary course of business and were carried out at standard conditions and/or at arm's length and were, in any case, based on the evaluation of the interest, and mutual convenience and fairness, in compliance with the above-mentioned internal procedures.

As regards these transactions, there were no changes in the situation of related party transactions, described in more detail in the Financial Statements at 31 December 2025, that might have a material effect on the financial situation and results of the Bank and the Banking Group.

The developments of ordinary transactions with related parties are presented in the specific section of the Notes and Comments to the Separate and Consolidated Financial Statements at 31 December 2025, along with other information on related party transactions.

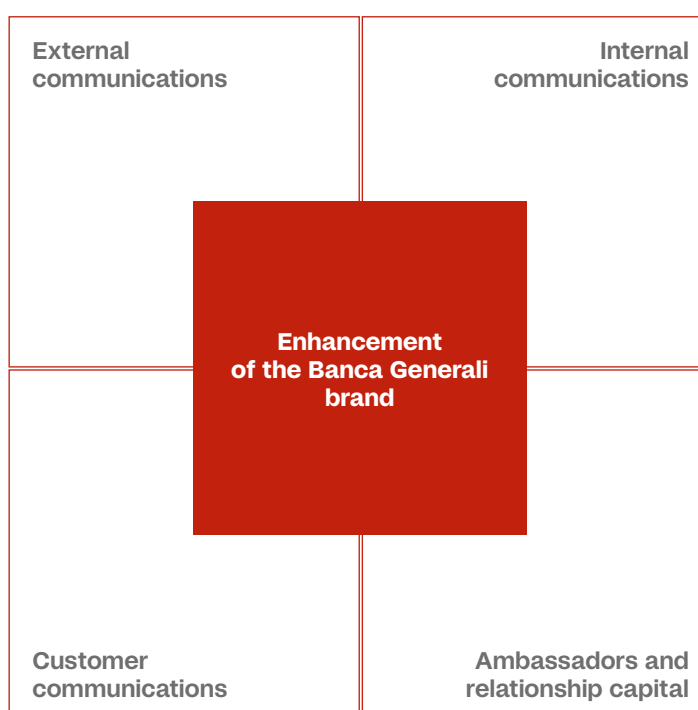
Intra-group related party transactions are not included in the above-mentioned disclosure, since they are eliminated upon consolidation.

Brand Excellence and Centrality

The Banca Generali **brand** is **one of the Bank's most important intangible assets**. Its **private banking and wealth management positioning** mainly depends on the enhancement and strengthening of its brand.

The **brand awareness** strategy is based on the **communication pillars** of innovation, investment planning and protection of Customers' wealth.

Brand awareness drivers



External communications

In external communications, Banca Generali's positioning is defined by its **relationship with the media**, which is based on transparency and constant exchange of information and generated approximately 50 institutional press releases in 2025, half of which price-sensitive.

The Chief Executive Officer, the Deputy General Managers and the main top managers made themselves constantly available to the media in order to increase knowledge of the Bank's distinctive features and **help the public understand the main events of general interest**.

Banca Generali also took part in major discussions and industry events, focusing on the subjects of **private banking** and **network banks**: crucial opportunities for professionals to meet and discuss trends, innovations and future challenges in the private banking and asset management sectors.

In its announcements to the market on Mediobanca's Public Voluntary Exchange Offer, Banca Generali pursued a transparent, constructive dialogue with its different stakeholders and the authorities, while respecting all of its shareholders.

Worth of mention is the great coverage that the Intermonte **Voluntary Tender Offer** and the synergies gradually implemented received in national and financial media. This was also the case of the Insurbanking **partnership with Alleanza** (Generali Italia).

The **editorial activity on the Protezione&Risparmio (Protection&Savings) blog** continued with in-depth analyses of the major issues of markets, savings, changes and trends that will characterise the future, always using simple, clear and direct language. There was also constant updating of the Bank's social media channels (Facebook, LinkedIn, Instagram, X and YouTube), which hosted, among other things, a series of innovation talks with speeches by various experts, leaders in scientific research and cutting-edge projects focused on AI use.

Customer communications

Customer communications have been developed with a view to increasing personalisation, based on the needs of the different target groups. The new approach to communication and marketing adopted during the year was strongly focused on **personalising the customer experience and increasingly engaging Customers**. The goal was to build a **one-to-one dialogue**, capable of adapting storytelling, images and content about products and services to the specific characteristics of each customer, in order to heighten trust and enable new levels of interaction in the relationship between the Client, the Bank and the Financial Advisor.

This model will become increasingly central in future activities, thanks in part to the contribution of **generative AI**, which will enable tailored, customer-centric interactions.

A first tangible example of personalisation was the preparation of the materials for the go-to-market of two new products — **BG Stile Esclusivo** and **BG Previdenza Attiva Premium** — for which **customised support** materials were created, leveraging specifically this new approach and marking an important discontinuity with the past. The materials produced, including commercial brochures, were designed to support the Financial Advisor in increasingly targeted communications that are closer to the needs of each Customer.

In addition, with a view to providing increasingly up-to-date and innovative materials, new means of customer engagement were developed, including **flyers** and **e-mail templates**, on occasions such as the launch of the new **Lux IM** strategies.

The commitment to strengthening the digital communication was confirmed with the ongoing updating of the **bancageneraliprivate.it** commercial website, conceived to present the product and service range, with a view to comprehensive wealth development.

For the second consecutive year, the Bank continued to successfully distribute via e-mail its **bi-monthly digital magazine "The State of the Art"**, an editorial project that offers Banca Generali's Customers an authoritative view on current events and new trends, through contributions from prestigious names in the Italian publishing industry. In detail, the newsletter includes several interviews to and comments from experts, with articles on culture, architecture & design, luxury, motorsports, art, travel, ESG and much more. The magazine accompanies **"Top Financial News"**, the daily e-mail newsletter dedicated to Customers with an Advanced Advisory contract that provides information on financial markets.

To provide ongoing support for Financial Advisors' storytelling in their dialogue with Customers, four new commercial brochures dedicated to the corporate segment were also published. These brochures specifically aim to describe the services offered in synergy with **Intermonte**, with a view to generating interest and new ideas for discussion on commercial development opportunities.

The editorial plan of the content displayed on the **digital totems** placed at all the Italian branches was also revised in order to spread key information on new products and services in real time. Among the content proposed in 2025, particular emphasis was placed on a **series of activities dedicated to cyber security**, aimed at raising Customers' awareness of IT risks, together with the promotion of key commercial initiatives, such as **BG Stile Esclusivo** and the new **Lux IM** strategies.

Internal communications

In 2025, internal communications pursued clear, strategic objectives:

- › **strengthening engagement** and the sense of belonging to the Banking Group;
- › **informing employees** about corporate activities, the main business drivers, key projects for the Bank's growth and the People Strategy initiatives, promoting dialogue with Top Managers;
- › **fostering an inclusive work environment oriented towards wellbeing**, promoting diversity and sharing future development plans, guided by the Bank's mission and vision, with particular attention to innovation and sustainability;
- › **supporting digital transformation** and AI adoption among employees.

The year started with the HQ **Employee Meetings** with Top Managers aimed to set the trajectory for 2025 by defining projects, priorities and mindsets for Banca Generali's growth, with a specific focus on people and the role of AI as a true game changer in the world of work.

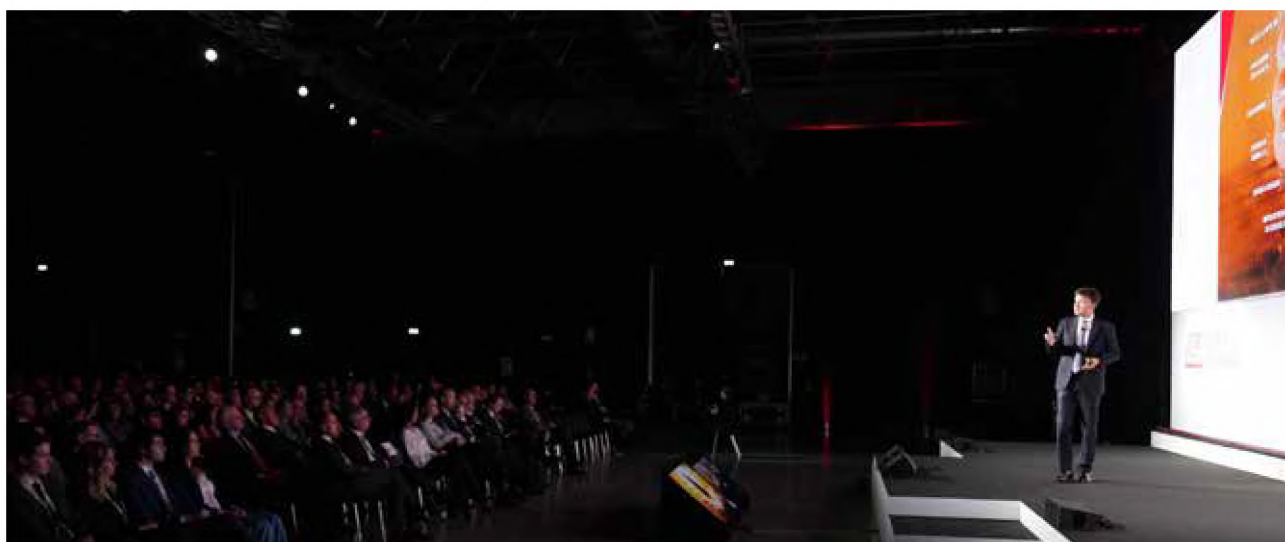
In addition to plenary events, the first half of the year was full of meetings and initiatives organised in cooperation with the **Chief People Office** and other internal structures, widely covered by internal communication channels.

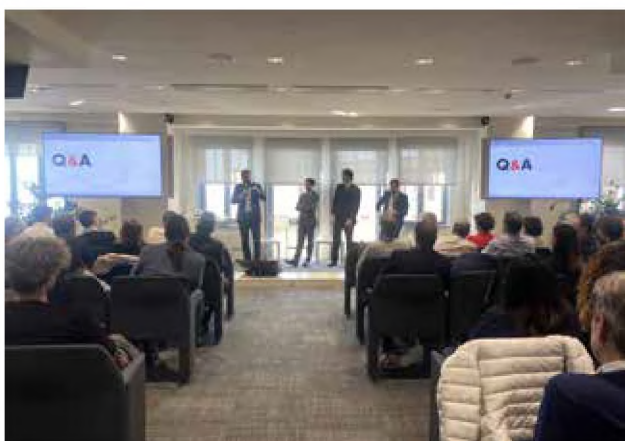
The main initiatives included:

- › **driving Copilot adoption**: newsletters aimed at familiarising with Microsoft 365 Copilot, ready-to-use tips and prompts for Copilot Chat, the "AI for all" events and training workshops led by the Chief People Office. These activities, addressed to all Banca Generali employees, were complemented by specific programmes dedicated to **AI Ambassadors**, who act as catalysts for innovation;
- › **BG Cyber Newsletters and BG Cyber Reels**: educational, structured content to raise awareness on key cybersecurity topics, with newsletters and videos produced together with the Security and BCP team;
- › **"A coffee with ..."**: a series of informal meetings between managers and employees to foster dialogue;
- › **We Learn Week**: a whole week dedicated to training;
- › **Together Week**: a week dedicated to Diversity, Equity & Inclusion, in line with all the other DEI initiatives;
- › **"Il filo rosso della sostenibilità: esperienze a confronto"** (The common thread of sustainability: comparing experiences): an interactive event on ESG matters with internal and external ambassadors, led by the Banking Group Sustainability team;
- › **"Il Futuro che Siamo"** (The future we are): training and teamworking experience for all HQ colleagues held during the Premier League, aimed to heighten the sense of belonging and raise awareness of the Banking Group's strengths;
- › **BG InForma** (BG and wellbeing): project dedicated to wellbeing, with opportunities for discussion and practical insights, accessible through a dedicated area of the corporate Intranet.

Two well-established initiatives also continued:

- › **Benvenuto in BG** (Welcome to BG!), aimed at give visibility to new recruits;
- › **Prima Pagina** (Front Page), a monthly newsletter that every month turns the spotlight on the Bank's key topics, with the aim of constantly keeping abreast and engaging the whole population.





Ambassadors and relationship capital

In 2025, Banca Generali's relationship with its ambassadors, champions, masters and talents ranging from the sporting to the culinary field was consolidated, reaffirming the attention that the Bank has always paid to **talent, the ability to work as a team and its commitment to excellence**.

Banca Generali's long-time ambassador **Federica Brignone** continued to deliver great emotions in skiing, winning the Women's Overall World Cup in 2025, with 37 gold medals and 85 podium finishes, and achieving the Italian record of victories in World Ski Championships. In addition to Federica, **Guglielmo Bosca** brings the Banca Generali logo to ski slopes around the world.

In 2025, Michelin-starred chef **Davide Oldani** continued to accompany the Bank in numerous initiatives to promote talent and culture, with a particular focus on sustainability.

As of the end of 2025, the pool of ambassadors was joined by **Matilde Minelli**, a young emerging talent in the U18 padel category and a skilled athlete who achieved important results, including the world's top-ranked player position among U18 FIP Promises global ranking.

In 2025, the Bank's closeness to local communities was supported by a series of initiatives, conferences, exhibitions and events that strengthened its commitment to and its relationships with them, generating positive experiences and important opportunities for sharing values. Projects ranged from financial education to sports, from art to music, from social support to integration and promotion of diversity, without ever neglecting the importance of sustainability and constant support to the community.

The most important initiatives included:

- › **meetings organised in collaboration with FEduF and ELIS at primary and secondary schools** to share financial education fundamentals and promote sustainability principles. Over 50 schools participated in the face-to-face classrooms, for a total of more than 5,000 pupils;
- › **the impact phase of the BG4SDGs – Time To Change project** to promote the sustainable business model through activities across the country, featuring several photographic exhibitions and 20 screenings of the docufilm;
- › **the organisation of conferences and round tables moderated by Banca Generali's investment partners**, to highlight the challenges facing Italian SMEs in the current economic scenario;
- › the **exclusive evening events** reserved for the Bank's Customers to visit art exhibitions of international standing;
- › important **events** within Generali Group's **exclusive venues** to delve into economic, financial and sustainability-related topics;
- › **the seven stages of "Un Campione per Amico"** (A Champion for a Friend), which brought inclusion and joyful amusement to the Italian cities of Reggio Emilia, Brescia, Piacenza, Verona, Vasto, Monza and Turin;
- › **the inauguration of three bank branches and offices opened in 2025**: — Mestre (bank branch), Altamura and Caravaggio — that further expanded the Bank's local footprint, bringing it ever closer to its Customers;
- › **the sponsorship of ArtWeek in collaboration with the Municipality of Milan**, which organised a week dedicated to art, with a press conference opening a series of initiatives held throughout the event and unveiling works by Giuseppe Gabellone and Giangiacomo Rossetti, added to the **BGArTalent** collection;
- › **partnerships with prestigious Italian universities** such as Politecnico di Milano, the Observatory on the governance of Italian SMEs, organised in collaboration with SDA Bocconi, and the annual Art Advisory congress organised with the Observatory of the University of Pavia. A new addition was the innovative **BG AI Sapiens** format to discuss topics as artificial intelligence, innovation, savings and investments;
- › **the 2025 Invitational Golf Tour, this year in its seventeenth edition**, which was an important opportunity for liaising and dialoguing with Customers, creating opportunities to strengthen relationships and learn more about their financial needs. This year, the tour covered the whole of Italy.



Risks and Uncertainties

The strategic context for the 2026-2028 three-year period is marked by moderate economic growth and an uncertain global environment marred by **geopolitical tensions** and **protectionist dynamics**.

On the financial front, monetary policy remains accommodative, with a reduction in interest rates supported by inflation being under control, particularly within the European area.

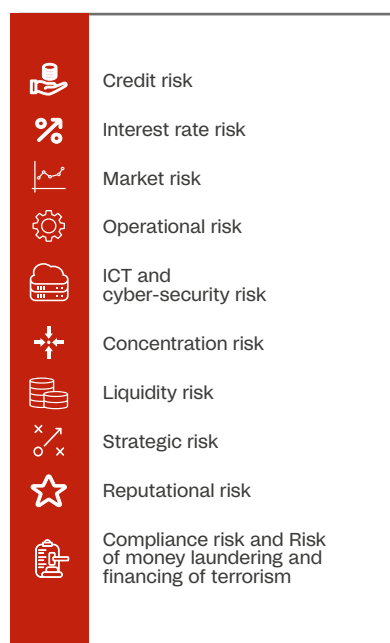
From a technological point of view, innovation is a key competitive lever: tools such as **artificial intelligence**, **digitalisation** and **fintech platforms** are transforming customer expectations and enabling new product and service solutions. The new, digitally native generations demand accessible and transparent services, but also valuable human relationships with bankers. The growing digitisation of banking services triggers increasingly sophisticated, new-generation cyber threats (data breaches, ransomware, deepfakes and synthetic identities), bringing about operational, reputational and compliance risks. In light of such risks, the continuous strengthening of digital resilience, governing of critical supplier and responsible use of AI have become priorities. The adoption of advanced AI introduces emerging risks: algorithmic bias, model opacity (black box), growing autonomy of digital agents, and technological dependence on global operators, in a context regulated by new regulatory provisions (AI Act) that impose strict control and explainability requirements.

With regard to payment systems and funding, the evolution of **digital assets** is a further source of uncertainty. The expansion of regulated stablecoins, tokenised deposits and DLT infrastructure may lead to a partial disintermediation of banks, eroding the deposit base and reducing the profitability of payment services. These are emerging risks, accentuated by the possible introduction of the **digital euro**, which could deeply change the competitive landscape and funding models. The integration of new regulated digital instruments will require advanced monitoring capabilities and completely redesigned control processes. In addition, the competitive environment is becoming more challenging due to the entry of new digital players — fintech and big tech — characterised by scalable platform models and economies of scale, which could shift part of the customer relationship outside the traditional banking channels. At the same time, attracting and retaining technological and advisory talent is becoming critical in a highly competitive job market. In addition, **population ageing**, **social polarisation** and **the intergenerational wealth transfer** bring with them the need for wealth planning and protection, with a focus on the needs of the younger generations.

At a **regulatory level**, European regulations — such as MiFID, Retail Investment Strategy and Savings and Investments Union, AI Act — are pushing towards greater transparency, customer protection, sustainability and value for money, promoting the creation of a single capital market. This entails a tighter integration between citizens' savings and investments in real economy, as well as an increase in compliance costs.

In short, the context is marked by uncertainty and volatility, technological and demographic evolution, the need for investment and protection, regulatory challenges and competitive pressure, which require targeted strategies to guarantee solidity and adaptability.

Traditional risks



Emerging potential risks

Geopolitical/Protectionism risks
Digital/AI risks
Digital asset/digital euro risks
Social and demographic risks



Credit risk: it is the risk associated with the possibility that a counterparty may become insolvent, or the likelihood that a borrower may fail to fulfil its obligations or fulfil its obligations on a delayed basis with respect to predetermined due dates. In detail, credit risk is the risk that an unexpected change in the **creditworthiness of a counterparty**, in the **value of the guarantees** it has provided, or in the **margins** it has used in the event of default, may generate an unexpected change in the value of the Bank's credit position.

In accordance with Banca Generali's business model, this type of risk chiefly arises from liquidity invested in **money markets** (interbank deposits and repurchase agreements), financial instruments (mainly government bonds) held in portfolios measured at amortised cost or at fair value and loans to customers (revocable and/or fixed-term credit). With regard to the latter, in line with the provisions of the **Risk Appetite Framework** and in accordance with the Business Model and the lending policies adopted, credit activity is an ancillary means of achieving the priority objectives in the private banking sector. In this context, the Bank prefers a **customer target with a strong capital position**, mainly focused on **natural persons**. In fact, there is a clear prevalence of exposures to the **retail segment** (made up primarily of private and affiliated customers), compared to the **corporate segment**.

As regards the composition of the Group's portfolio, the **HTC** component consists mainly of debt security exposures to general governments. With regard to institutional borrowers, credit risk management is based on the allocation of appropriate **credit lines**, which are monitored by the Risk Management Function and established with the objective of maintaining a portfolio's risk profile that is consistent with the strategies and risk appetite approved by the Board of Directors.

Operating limits on the amounts of credit lines granted to institutional counterparties are governed by **Group policies**, which set out the maximum credit that may be extended to each counterparty based on its rating class. The overall consistency of ECAI ratings with internal credit assessments is verified by the Risk Management Function at least annually. Credit lines are reviewed at least every year; this involves updating existing credit lines for counterparties that are already borrowing from the Bank or examining new proposals with a view to **diversifying the proprietary portfolio** and developing new activities linked to market opportunities. With a view to further strengthening the management and monitoring of the credit risk profile, the Bank has adopted a **portfolio management policy** that, in addition to the aforementioned credit lines, provides, *inter alia*, for **minimum and maximum investment limits** on specific geographical industry clusters and **minimum thresholds** for investments in government securities or securities with a high credit standing. This framework also sets specific maximum maturity limits for investments in the proprietary bond portfolio and strict limitations on exposures to complex instruments or hard-to-value assets.

Overall, the weight of non-performing exposures on the **customer loan portfolio** was modest, lower than that of the Italian banking system.

The **portfolio of NPLs** to customers is mostly secured by pledges of securities and bank and government guarantees and has a good coverage level in the residual cases in which the collateral is insufficient.

The **portfolio of performing loans to customers** is approximately 78% composed of exposures to natural persons, whereas the remainder is composed of exposures to companies, in both cases with high creditworthiness. Credit facilities are primarily provided in the form of revocable facilities and Lombard loans, which together account for around 85% of the actually and potentially used exposure. In accordance with the Bank's lending policies and risk appetite, credit facilities are mostly secured by pledges of highly liquid financial instruments and products.



Interest rate risk: it arises from unfavourable changes in the term structure or volatility of interest rates of assets and liabilities recognised in the financial statements. This risk arises due to the possibility that an interest rate change will reflect negatively on the reduction in **net interest income** (delta NII) or in a reduction in **economic value** (delta EVE).

The Group uses derivatives for hedge accounting purposes (e.g., **Interest Rate Swaps** and **Cross Currency Swaps**), in order to safeguard its banking book against adverse changes in the fair value of loans and funding attributable to movements in rate curves, and to contain duration gap levels in view of changing trends in the proprietary portfolio.

The Bank measures the interest rate risk profile of its banking book through the periodic calculation of specific metrics linked to it, such as the shift sensitivity of economic value and the sensitivity of net interest income, verifying that they comply with the limits laid down in the **Risk Appetite Framework (RAF)** and, in any event, with the applicable IRRBB regulations in force. Particular attention is also paid to the evolution of the **proprietary portfolio's duration**, through periodic monitoring activities and stress tests that aim to detect in advance the significant sources of risk when adverse scenarios occur.

To support management and regulatory monitoring, scenarios are applied with parallel and non-parallel instantaneous rate shocks to the yield curve, in line with the standards of the Basel Committee on Banking Supervision Standards. Regulatory scenarios are also applied that are envisaged in the **Supervisory Outlier Test (SOT)** and are consistent with the EBA Guidelines.

For the purpose of calculating the above metrics, the Bank applies behavioural modelling to represent non-maturing deposits (NMDs), using a model designed to reflect the characteristics of stability of assets and their stickiness to changes in market rates.



Market risk: it stems mainly from the **trading of financial instruments on own account** and from the **market-making** activities carried out by the Parent Company and the Subsidiaries of the Banking Group.

Market risk is represented by the possibility to suffer losses due to variations in the value of a financial instrument or a portfolio of financial instruments associated with unexpected variations in market conditions (share prices, interest rates, exchange rates, the prices of goods and the volatility of risk factors).

Banca Generali Group's exposure to market risk has always been negligible. The integration of **Intermonete SIM** — in light of the activities currently implemented (market making on plain vanilla derivatives and proprietary trading) and the development of new business lines (planned launch of transactions in exotic derivatives) has generated, and will generate, a potential increase in the Group's exposure to market risk.

Market risks are maintained within appropriate RAF limits and operating limits, which are monitored by the **Chief Risk Office**. Such limits are established with the objective of maintaining a level of risk that is consistent with the strategies and risk appetite defined by the Board of Directors.



Operational risk: the exposure across the various legal entities in the Group is closely linked to the type and volume of activities, as well as the operational procedures adopted.

In detail, the operations undertaken (primarily portfolio management and the distribution of the Group's own and third-party investment products), the use of IT systems, the definition of operational procedures, interaction with parties protected by the law, the marketing structure adopted (chiefly Financial Advisors) and the direct involvement of all employees in operations structurally expose the Group to operational risk, which is defined as the possibility of sustaining financial losses deriving from the inadequacy or improper functioning of procedures, employees, internal systems or external events. This type of risk includes, *inter alia*, losses due to fraud, human error, disruption of operation, unavailability of systems, breaches of contracts, natural disasters and legal risk.

In this area, the **Chief Risk Office** is responsible for:

- identifying and assessing the operational risks inherent in company processes through the **Risk Self-Assessment**, whose main goals are:
 - **identifying/monitoring the risks** to which the Bank is most exposed and their root causes;
 - **responding to the regulatory requirements** established by prudential supervisory regulations;
 - **facilitating and developing a culture of operational risk** at the level of the Group's Top Managers and Organisational Structures;
 - **identifying and monitoring the actions to mitigate significant operational risk events;**
- **identifying the operational risk accidents/events** through loss data collection and carrying out analyses and monitoring of the same;
- **overseeing a dashboard of indicators** (known as “KRIs” or “Key Risk Indicators”) that it has defined for monitoring the areas of greatest risk so as to report in advance a deterioration of the Bank's risk level, thereby enabling the prompt implementation of possible mitigating actions.

In particular, the Bank's **operational risk management framework** allows to:

- constantly pay attention to the **control and monitoring of the risk of fraud/conduct**, a risk of particular importance to the Bank, given its organisational structure;
- identify and manage the risks related to the processes for managing the products/services offered and related development projects.

Moreover, Banca Generali Group has adopted an insurance coverage for operational risks deriving from acts of third parties or caused to third parties, as well as adequate contractual clauses covering damages caused by providers of infrastructure and services; it also approved a Business Continuity Plan.



ICT and cyber-security risk: any event that can be reasonably identified with regard to the use of IT and network systems and that, should it occur, might jeopardise the security of the IT and network systems, any technology-powered tools or processes, operations or processes, or the provision of services, thus causing adverse impacts on the digital or physical environment.

Banca Generali Group has defined an **ICT and cyber-security risk assessment and management framework**. This framework is a tool aimed at ensuring the effectiveness and efficiency of the measures for protecting ICT resources, allowing the mitigation measures to be adjusted to the various areas according to the risk profile identified. It also outlines the operational model consisting of concepts and definitions relevant to the methodology and process for analysing and managing ICT and cyber-security risk, including ICT third-party and ICT project risk.

The **IT risk assessment and management process** is an ongoing process that allows to:

- i) **assess the economic, reputational and regulatory** impacts on the Bank's profile in the event that one or more risk scenarios materialise;
- ii) **identify threats, vulnerabilities and risk scenarios** on an ongoing and proactive basis;
- iii) **implement adequate internal controls** based on the Company's issues and the value of protected assets;
- iv) **improve decision-making** thanks to thorough and prompt access to information.

ICT and cyber-security risk assessment applies to business processes and is carried out using specific risk scenarios that take into account threats and vulnerabilities. Based on this assessment and on the ongoing monitoring of specific **Key Risk Indicators**, the first-line function is provided with elements to identify areas of action and areas where control measures need to be strengthened to ensure the Bank's operational resilience.

Moreover, in light of the Bank's business model and ICT strategy, characterised by **full outsourcing of ICT services**, the Bank is mostly exposed and pays particular attention to ICT Third Party risks. The Bank has therefore adopted appropriate control measures to monitor ICT service providers, aimed at ensuring that application procedures and information systems efficiently support organisational processes. In addition, to address this risk, the Bank extended the number of opportunities for discussion and collaboration between the following structures: Risk Management, IT, BCP Security and Internal Audit.



Concentration risk: it results from the exposure to groups of related counterparties and counterparties operating in the same sector/geographical area.

The Bank reports a good level of diversification, consistent with its business model and with a lending activity targeted primarily at Italian private customers and well distributed at geographical level. In addition, the Bank guarantees *ex-ante* compliance with the regulatory limits regarding the level of exposure towards connected parties and major risks.



Liquidity risk: it derives from funding and lending transactions in the course of the Group's ordinary business.

Such risk takes the form of default of payment obligations, which may be caused by an inability to procure funding (funding liquidity risk) or the existence of limits on the divestment of assets (market liquidity risk).

Liquidity risk also includes the risk of fulfilling payment obligations at above-market costs, incurring a high cost of funding or — and, in some occasions, simultaneously — incurring capital losses on the divestment of assets.

In addition to the short term and intraday dimension, liquidity risk management also takes into account the medium/long-term dimension relating to imbalance between funding sources and lending. The excessive financial leverage risk profile is also specifically monitored within the framework of structural liquidity.

The liquidity risk control and management systems are governed by the **Liquidity Management Policy**, which, in line with the provisions of the Risk Appetite Framework, identifies the maximum risk tolerance limits and aims to ensure the maintenance of an adequate liquidity position to cope with periods of tension, even prolonged ones, in the funding market, thus ensuring the maintenance of both an adequate buffer consisting of **high quality liquid assets** that can be easily liquidated or refinanced with the ECB, as well as a high level of stable deposits.

With reference to the short-term risk profile, i.e., within 12 months, the Risk Appetite Framework provides for specific thresholds on the **Liquidity Coverage Ratio**, which are accompanied by thresholds on the **Survival Period** and the **Asset Encumbrance ratio**. As regards the monitoring of the structural balance profile, specific thresholds on the **Net Stable Funding Ratio** promote greater use of stable funding. In 2025, the Bank adopted the **Joint Liquidity Template**, which allows to report to supervisory authorities any liquidity and funding needs in case of resolution at short notice and at a high level of frequency (even daily). *Finance* is responsible for managing treasury and investment financial cash flows of the treasury cash flows with the aim of ensuring a thorough diversification of funding sources and monitoring cash flows and daily liquidity. Any liquidity needs are primarily managed through recourse to the **money**

market (interbank deposits and repurchase agreements) and, to a secondary degree, where available, through the refinancing transactions promoted by the ECB. The funding structure is mainly focused on net inflows from retail customers that are characterised by a stable performance, and on institutional sources of funding.

The **Chief Risk Office** is called upon to perform second-line controls, thus ensuring the measurement, including forward-looking measurement, of the Bank's liquidity risk exposure. It also applies stress scenarios and, if the thresholds set by the Framework and/or the limits approved by the Board of Directors are exceeded, activates specific reporting and escalation procedures, monitoring the recovery actions approved by the competent Bodies.

The Group has a **Contingency Funding Plan** in order to ensure the orderly management of any systemic and idiosyncratic liquidity crises, the safeguarding of the Bank's assets and business continuity. This Plan detects, through early warning monitoring, any signs of liquidity tension and identifies the actions or tools to be activated. On an annual basis, the Bank also initiates and prepares a self-assessment on liquidity risk management during the ILAAP, providing the results to the supervisory authorities.



Strategic risk: the actual or prospective risk of a decrease in profits or capital arising from changes in the operational context or poor company decisions, the inadequate implementation of decisions, or insufficient reaction to changes in the competitive scenario.

The first pillar of the framework for strategic risk management is **governance**, which ensures constant monitoring of the traceability of decisions. The strategic risk is addressed through policies and procedures, which require that the most important decisions be reported to the Board of Directors and supported by specific preventive impact analyses in terms of capital adequacy and liquidity, consistency with the **Risk Appetite Framework** and sustainability of the business model. The positioning and strategic risk analysis also takes into account developments in the legislation, especially European legislation, on sustainable finance, the evolution of market and customer preferences with respect to sustainable investment products and solutions, and the potential repercussions that these may have on the Group's competitive positioning. The Board of Directors has approved specific strategic planning guidelines, which regulate the CRO/CFO interaction for the purpose of defining and updating the Strategic Plan and the Risk Appetite Framework, and the ensuing approval of the budget for the first year of the Plan.



Reputational risk: the current or prospective risk of a decrease in profits or capital arising from a negative perception of the Bank's corporate image by customers, counterparties, shareholders, investors or supervisory authorities.

Banca Generali Group is structurally exposed to reputational risk due to its distinctive operations, which focus on offering and placing financial and insurance products with its customers through the BG Network. To monitor this risk, the Bank has adopted specific **codes of conduct** and **codes of ethics** that govern the Group's operations and its dealings with its main stakeholders.

Banca Generali has adopted a dedicated **reputational risk management framework**, which provides for the identification of risks potentially prejudicial to the corporate image and the assessment of the associated exposure, also through monitoring of risk indicators by business area, thematic area and type of stakeholder; to which a governance and escalation process is applied for the identification and implementation of measures and controls to mitigate the risk.

Banca Generali has launched a process designed to identify in advance possible situations of risk relating to its main business operations, in particular during the new product development or partner selection phase, in which to conduct an analysis of potential reputational risks relating to the specific operations in order to permit the informed assumption and, insofar as possible, mitigation of the type of risk concerned by implementing control measures that minimise their impact on the Bank's image.

In addition, reputational risk is also taken into consideration in the **Risk Appetite Framework** assessment of Banca Generali, confirming its commitment to monitoring and containing this risk. To this end, specific indicators are monitored in order to identify any possible critical events that should occur and that could harm the Bank's reputation.

The reputational risk management framework is cross-functionally integrated with considerations on **sustainability risks** (or **ESG risks**). Starting from an analysis of ESG risk factors deemed most significant due to their potential impact on risk categories already included in the Group's framework, other factors are identified as especially material from a reputational standpoint that are related to the corporate identity and to the Group's positioning on sustainability matters, including with respect to stakeholders' external perception. ESG factors that may affect the performance of investments managed as part of Portfolio Management are also considered significant, with ensuing repercussions on the Group's image in the asset management services area.

With a view to mitigating reputational and strategic risks, Banca Generali is constantly committed to managing the operational and financial aspects of its business with a focus on social and environmental responsibility and the sustainability for future generations. To this end, the Bank aims to:

- › pursue sustainable growth in the long term, while reducing the risks tied to the volatility of the economic scenario in which the Bank operates;
- › enhance all the people who work at the Bank, by developing their skills and properly recognising the individual contribution to the success of the organisation;
- › focus on the social context in which it operates by participating in welfare, cultural and sports initiatives in favour of the community;
- › promote the reduction of direct and indirect environmental impacts by taking steps to minimise the consumption of energy, paper and water, and lower pollutant emissions.

The commitment to preventing and combating fraud is also to be regarded as a factor mitigating operational and reputational risk, thereby ensuring business sustainability.



Compliance risk and risks of money laundering and financing of terrorism: compliance risk is the risk that Banca Generali may incur legal or administrative penalties, significant financial losses or reputational damages as a result of the breach of laws, regulations or voluntary codes of conduct, as well as money laundering and terrorist financing activity (defined as the risk of involvement, also unintentional, of Banca Generali in such offences).

The efficient management of these risks requires a company culture that promotes integrity, propriety and compliance with the spirit of the law in accordance with the principle of proportionality and the entity's size and specific operational characteristics.

"Compliance" is a process that permeates each Banking Group company's activities and organisation, beginning with the definition of company values and strategies and extending to influencing the definition of policies, internal procedures, operational practices and conduct. Likewise, an effective prevention and management of money laundering and terrorism financing risks necessarily require an adequate definition of internal policies and procedures aimed at combating these events.

Accordingly, the said risk monitoring is most effectively pursued in a company context that shares the principles of honesty and integrity by involving all Corporate Bodies, Committees, the Compliance function, as well as the Anti-Financial Crime function, each to the extent of their respective remit, and, more generally, all Banca Generali People in pursuing regulatory compliance to improve operational procedures and company practices, with ensuing positive effects on process efficiency and effectiveness.

ESG risk governance model

In 2021, Banca Generali Group started a path aimed at including the impacts of **sustainability drivers** on the risk areas identified in its vertical risk policies.

Managing ESG risks requires consideration not only of the impact of these risks on the Bank's organisation, but also of the **potential risks** to which the Bank exposes its **stakeholders** and the **environment** through its operations.

The Banking Group therefore adopts a **holistic approach to ESG matters**, based on:

- › **definition of a Group ESG strategy** according to the guidelines provided by the Corporate Bodies and supported by the Internal Governance Structures: Banca Generali wants to be “*the No. 1 private bank by value of service, innovation and sustainability*”, aware that innovation, the development of new products and services and the sustainable action of companies can help to reduce the impacts of phenomena such as climate change and social inequalities;
- › **management of sustainability matters in sensitive sectors** through its own regulatory framework, also aimed at defining criteria for limiting and excluding lending to or investing in business sectors considered most exposed to ESG risks;
- › **identification and management of potential direct and indirect impacts related to climate change** and development of metrics for measuring indirect impacts;
- › **integration of ESG factors into the overall risk management framework** and, in particular, the provision within the Risk Appetite Framework of a specific section dedicated to ESG risks that defines specific limits and criteria;
- › **financial materiality assessment**, aimed at identifying risks and opportunities that might influence the Group's financial performance and results, and therefore create or erode the undertaking's corporate value over the short, medium or long term, in addition to the impact materiality assessment²⁸.

Within the regulatory and prudential supervisory framework, the Bank of Italy considers the process of integrating and managing climate-related and environmental risks as an aspect of fundamental importance. In fact, the path towards the environmental transition entails risks and opportunities for the economy and for financial institutions, whereas the physical risks caused by extreme weather events, gradual climate changes or environmental degradation may generate significant impacts on the real economy and the financial sector.

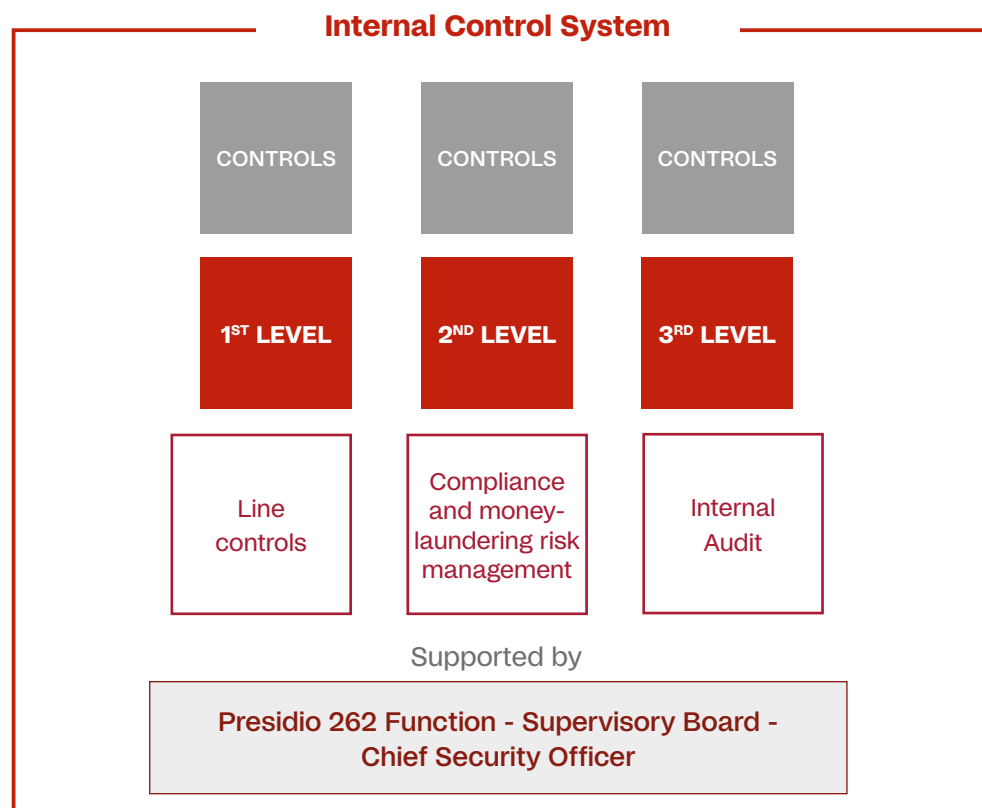
²⁸ For further details, see Section “E1 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities”.

Internal Control System

Banca Generali S.p.A.'s **Internal Control System** is composed of the set of rules, functions, structures, resources, processes and procedures that aim, through an adequate process of identification, measurement, management and monitoring of the main risks, to ensure that the following aims are achieved, in accordance with sound, prudent management:

- › **verification of the implementation of company strategies and policies;**
- › **containment of risk** within the limits indicated in the framework of reference for determining the Bank's risk appetite (Risk Appetite Framework);
- › **safeguarding of the value of assets and protection against losses;**
- › **effectiveness and efficiency of corporate processes;**
- › **reliability and security of company information and IT procedures;**
- › **prevention of the risk** that the Bank may be involved, voluntarily or involuntarily, in unlawful activities (with particular regard to activities relating to money-laundering, usury and financing of terrorism);
- › **operational compliance with the law and supervisory provisions, as well as with policies, regulations and internal procedures.**

The Banking Group has implemented an internal control system in line with best practices at the national and international levels, aimed to reduce the risks of inefficiency, overlapping of roles, sub-optimal system performance and loss of system efficiency. The Internal Control System is defined and regularly updated by Banca Generali's Board of Directors in accordance with any changes in the law and the Bank's operations.



The Internal Control structure is divided into the following three levels:

- › **line controls** (so-called “first-line controls”), aimed at ensuring that activities are conducted properly. These controls are carried out by the operating structures themselves, including through units dedicated solely to control duties that report to the heads of these structures, or

by back-office company areas and units; to the extent possible, line controls are incorporated into IT procedures;

- › **risks and compliance controls** (so called “second-line controls”), performed by functions not involved in production and broken down as follows:
- › **risk management controls**: these are part of the process of determining risk measurement methods, with a view to ensuring compliance with the limits assigned to the various operating functions and maintaining the operations of individual production units in line with the risk/return targets set for each type of risk;
- › **compliance controls**: these focus on the compliance of operations with laws, supervisory provisions and the Bank’s self-regulation provisions; controls of the operation of the BG Network fall into this category;
- › **anti-money laundering controls**: these assess compliance with laws and supervisory provisions on money-laundering and prevention of financing of terrorism, as well as compliance with the ensuing Bank’s self-regulation provisions governing operations and safeguards aimed at ensuring full knowledge of the customer; the traceability of financial transactions and the identification of suspicious transactions;
- › **internal audit** (so-called “third-line controls”): activity carried out by the Internal Audit function — an independent function intended to supervise, through third-line and on-site controls, the regular conduct of operations and the evolution of risks. It assesses the completeness, adequacy, functionality and reliability of the organisational structure and the other components of the internal control system, informing the corporate bodies of possible improvements, in particular to the Risk Appetite Framework, the risk management process, and the risk measurement and control instruments. The Internal Audit function carries out these activities for Banca Generali and also for the Banking Group’s Subsidiaries, through specific outsourcing agreements governing the provision of internal audit services to subsidiaries. As part of the direction and coordination activities, the Internal Audit function also carries out internal audit activities on behalf of the Parent Company. In accordance with the applicable standards and regulations, the Internal Audit function enjoys access to all information and data necessary to fulfil all responsibilities it has been assigned.

The **Internal Control System** is completed by:

- › the **Presidio 262** function, which acts as a point of reference, orienting and coordinating the management of all the Group’s administrative and accounting risks, for the intents and purposes of Italian Law No. 262/2005;
- › the **Supervisory Board**, set up pursuant to Italian Legislative Decree No. 231/2001;
- › the **CSO** (Chief Security Officer), serving as **IT Security Function** within the COO & Innovation Area; this function defines and implements the Bank’s security strategy, with the mission of protecting all the Company’s physical and IT resources and cultural assets, defining a common approach for managing security elements and promoting a culture of security within the Group.

The structure of the Bank’s Internal Control System is intended to:

- › ensure appropriate **control oversight of all of the Group’s activities** and **proper disclosure** on this subject, in pursuit of the values of substantive and procedural fairness and transparency;
- › ensure the **efficiency, traceability and auditability of transactions**, and more generally of all management activities, the reliability of accounting and management data, compliance with laws and regulations, and the protection of the integrity of the Company’s assets, also with a view to preventing fraud against the Bank and the financial markets;
- › foster an **informed attitude in risk management**;
- › provide **assurance and adequate protection of customer information**;
- › **promote processes of innovation**.

The circulation of information amongst and within Corporate Bodies and Control Functions allows to meet the targets of efficient management and effective controls, thus representing a fundamental mechanism for the integrated Internal Control System.

In accordance with the provisions of the Basel Committee and EU regulations, and in compliance with the supervisory instructions issued by the Bank of Italy, the Banking Group has defined an internal process (**ICAAP** – Internal Capital Adequacy Assessment Process) for independently assessing its capital adequacy, i.e., the adequacy, in current and prospective terms, of the overall capital at its disposal to cover the relevant risks to which it is exposed and support its strategic decisions. That process presupposes a solid corporate governance system, a clear, appropriate organisational structure and the definition and implementation of all processes required for the effective identification, management, monitoring and reporting of risks and the presence of adequate internal control mechanisms.

The Banking Group has formally defined a policy for each of the risks identified that lays down:

- › the **general principles, roles** and **responsibilities** of the Corporate Bodies and Functions involved in risk management;
- › the risk management **guidelines** in accordance with the business model, the risk appetite, the Internal Control System, the System of Delegated Powers defined by the Board of Directors and the supervisory provisions.

In order to prevent conduct contrary to the principles of propriety, legality and transparency in the handling of operations by personnel, and to avoid the attribution of administrative liability to companies for offences committed by personnel in the interest or to the benefit of those companies, the Banking Group has adopted and implemented an Organisational and Management Model, pursuant to Italian Legislative Decree No. 231/01, as further amended.

The **Model** is an integral part of the set of rules, procedures and control systems developed by Banca Generali, and contributes to the overall structured and comprehensive organisational framework that is designed to prevent unlawful conducts, and in particular those envisaged by the legislation in question.

The proper understanding and dissemination of the content and underlying principles of that Model are ensured by specific training initiatives provided through e-learning systems targeted at all employees and Financial Advisors, so as to ensure that all people are duly trained. The Model is updated whenever there are regulatory and/or organisational changes and is submitted to the Board of Directors for analysis and approval.

Given that Banca Generali Group promotes and facilitates the spread of a company's rule-of-law culture characterised by proper behaviour and ensures effective and efficient measures to prevent, manage and, where necessary, report any irregularities or breaches of the rules governing the company's activity, the Group has also implemented a whistleblowing system based on secure, confidential channels. In this regard, in 2023 the Group also adopted a new **Whistleblowing Policy**²⁹ — most recently updated in November 2025 and publicly available on its corporate website — governing the whistleblowing procedure.

²⁹ For further details on the Whistleblowing Policy, see Section "G1-1: Business conduct policies and corporate culture".

Internal Audit Activity

The **Internal Audit function**, held by the **Chief Audit Office** and reporting directly to the Board of Directors, is an independent function intended to supervise — through third-line and on-site controls — the regular conduct of operations and the evolution of risks. It assesses the **completeness, adequacy, functionality** and **reliability** of the organisational structure and the other components of the internal control system, informing the corporate bodies of possible improvements, in particular to the Risk Appetite Framework, the risk management process, and the risk measurement and control instruments.

The Internal Audit function carries out these activities for Banca Generali and also for the Banking Group's Subsidiaries, through specific outsourcing agreements governing the provision of internal audit services to Subsidiaries. As part of the direction and coordination activities, the Internal Audit function also carries out internal audits on Subsidiaries on behalf of the Parent Company of the Banking Group.

In accordance with the applicable standards and regulations, the Internal Audit function enjoys access to all information and data necessary to fulfil all the responsibilities it has been assigned. Audit activities are performed on the basis of the methodologies and internal and external standards specified in the Function's Rules and Procedures.

In particular, the **Chief Audit Office** is responsible for:

- › **defining the policies for managing and developing the audit activity**, in accordance with the evolving audit regulatory framework regulations and in line with the applicable professional methodologies;
- › **submitting to the corporate bodies**, following an independent risk assessment, the **audit plan** indicating the assurance and advisory activities to be performed, taking account of the risks inherent in the various processes. This plan is subject to the approval of the Board of Directors;
- › **carrying out assurance and advisory activities** in line with the approved plan, in order to evaluate the completeness, adequacy, functionality and reliability of the components of the Internal Control System (ICS), of the risk management process and of business processes. In this context, the Chief Audit Office also verifies the Company's second-line control functions (Risk Management, Compliance, Anti-Money Laundering);
- › **bringing possible improvements to the attention of the functions concerned and top managers**, making recommendations based on the results of the audits carried out.

As part of its functions and in addition to the activities performed, the Internal Audit Function highlighted the remediations necessary to ensure an overall adequate internal control system and monitored their full implementation.

Tax Approach

Tax governance, control and risk management

On 27 December 2021, the Italian Tax Authority admitted Banca Generali, with effect from the tax period ended on 31 December 2020, to the **Cooperative Compliance Program** instituted by Italian Legislative Decree No. 128 of 2015. The Program is aimed to establish stronger relations with the tax authorities by transitioning from a relationship based on tax audits subsequent to fulfilment of tax obligations to a system of ongoing exchange, in which the taxpayer and tax authority engage in dialogue to reach, where possible, a prior common assessment of decisions relating to management of the tax variable.

In the review of the application for admission by the Italian Tax Authority in 2021, examination focused on the structure of Banca Generali's internal tax risk control system, the **Tax Control Framework** (TCF), adoption of which is a pre-requisite for admission to the Cooperative Compliance Program.

In line with the instructions from the Organisation for Economic Co-operation and Development (OECD), as transposed by the Italian Tax Authority into the rules governing the Cooperative Compliance Program, Banca Generali's TCF consists of:

- a) a **tax strategy**, approved by the Board of Directors on 23 June 2020, setting out the principles for managing the tax variable and the strategic guidelines aimed at ensuring compliance with tax rules. In detail, the tax strategy defines Banca Generali's commitment to operating in accordance with the following principles:
 - compliance with tax laws applicable in the countries in which it operates and responsible tax risk management;
 - prohibition to engaging in conduct and transactions that translate into merely artificial constructions and do not reflect the business or may reasonably be expected to yield undue tax advantages;
 - transparency and propriety in relations with the tax authorities;
 - pricing of intercompany transactions based on the arm's-length principle.

By approving the tax strategy, Banca Generali's Board of Directors assumed the responsibility for ensuring dissemination and application thereof, while also performing the specific task of spreading the underlying culture and values. The tax strategy entered into force from the day after that of its approval and is published on Banca Generali's corporate website: www.bancagenerali.com/en/sustainability/sustainability-documents;

- b) a **governance** model that applies to: (i) roles and responsibilities relating to taxation, and (ii) information flows envisaged for managing tax risk addressed to the administrative body (i.e., annual report). TCF governance is defined by the Tax Compliance Policy, adopted by Banca Generali's Board of Directors on 4 November 2022 (updated on 9 May 2025) and aligned with the tax strategy.

The implementation of the TCF involved, *inter alia*, the provision of a process control system, which is entrusted to the specifically dedicated position of Tax Risk Officer (TRO). At annual intervals, the TRO prepares the Report on the Tax Control Framework, which is presented to the Internal Audit and Risk Committee by the TRO on the invitation of the Chief Financial Officer and, through the Committee itself, to the Board of Directors. The TRO provides the Compliance and Anti-Financial Crime Department with all the data necessary for preparation of the relevant report, which is also submitted to the corporate bodies for their evaluation within the broader scope of the management of non-compliance risks to which the Bank is exposed;

- c) a system for **mapping, controlling, measuring** and **managing tax risk** to ensure the accuracy and correctness of the fulfilment of tax obligations (calculation, payment and tax return) and the monitoring of the interpretative choices made.

The TCF adopted by Banca Generali is designed to mitigate the **tax law compliance risks** contained in the related Risk Map, updated and tested by the TRO to provide assurance regarding the internal control system for tax risk. The Tax OU, together with the TRO, monitors the release of new tax arrangements that could have an impact on the Internal Control System to mitigate tax risks. The TRO assesses any need to update the Risk Map. In the event of regulatory changes, the TRO activates the operational functions responsible for the formalisation/ updating of corporate processes. The TRO and the Tax OU support the competent operational functions in assessing compliance with tax legislation of new processes that are introduced or changed from time to time. In particular, it is the responsibility of the business functions and central functions to promptly report to the TRO and the Tax OU the processes within their

remit that have been newly introduced or have undergone operational changes.

As for risk profiles relating to proper interpretation of tax law (**interpretation risk**), the Rules for Managing Interpretation Risk — appended to the Tax Compliance Policy approved by the Board of Directors — lay down a specific process for identifying risks underlying ongoing interpretative choices and the related quantitative and qualitative measurement, including evaluating the reputational aspects that could damage the Bank if the event associated occurs. The mitigation of interpretation risk is structured as both an internal decision-making escalation process — depending on the scope of the risk — and activation of preliminary discussions with the Italian Tax Authority on tax risks that exceed the materiality threshold defined with the Tax Authority. Accordingly, the Bank is required to constantly activate preliminary discussions on **material tax risks**, understood as tax risks arising from circumstances for which the breach of the materiality threshold would lead to the application of the **transparency and collaboration obligations** laid down in the decree introducing the Cooperative Compliance Program.

Banca Generali's TCF was duly introduced and integrated within the Internal Control and Risk Management System (hereinafter "ICRMS") that the Bank adopted, in light of the regulatory framework in which it operates, as a set of corporate activities aimed at improving profitability, protecting capital solidity, ensuring compliance with external and internal legislation and codes of conduct, and promoting transparency towards the market through oversight of the risks assumed. In accordance with the prudential supervisory provisions set forth in Bank of Italy Circular No. 285 of 2013 (Part I, Title IV, Chapter 3), the ICRMS oversees, *inter alia*, the risk of non-compliance with tax regulations. In particular, Banca Generali's TCF functions in a manner complementary to the ICRMS by covering tax risk areas not managed by the Bank's other internal control systems and, in particular, by mapping tax compliance risk and managing the tax interpretation risk.

Relations with the Tax Authorities and stakeholder engagement

Banca Generali ensures transparency and propriety in its relations with the Tax Authorities. In order to consolidate a collaborative approach with the tax authorities, the Bank adopts transfer pricing documentation rules, in accordance with the provisions of the OECD Transfer Pricing Guidelines.

The approach of openness and transparency towards the Tax Authorities is designed to ensure accurate, timely communication. If an error is identified, Banca Generali is committed to proactively providing the relevant explanations and reaching an adequate solution. Moreover, in defence of its company interest and that of its shareholders, Banca Generali deems it legitimate to uphold, including in litigation, a reasonable interpretation of the law, should there be differences of interpretation with the competent Tax Authorities.

In addition, Banca Generali pursues an approach based on tax transparency towards all stakeholders, within the framework of broader ESG matters. Within this framework, Banca Generali aims to obtain excellent ratings from the main ESG ratings agencies, such as MSCI, S&P, Sustainalytics and Moody's, including with regard to tax management parameters.

To further improve tax transparency, Banca Generali draws up a **Tax Transparency Report**.

Country-by-Country Report (CbCR)³⁰ - Quantitative part

Within its tax approach, Banca Generali S.p.A. draws up a Country-by-Country Report to provide a concise and transparent disclosure of key financial, economic and tax information, separately for each tax jurisdiction in which individual Group entities are considered resident.

The purpose of the Report is to present the main economic and operational figures representative of the volume of the Banking Group's activities within each tax jurisdiction that, taken into account together with the other information contained in this Annual Integrated Report, provide a concise and transparent disclosure of the level of taxes accrued and paid in a jurisdiction.

The data presented below refers to the financial year ended 31 December 2025 and was calculated for the purpose of this Annual Integrated Report, prepared on the basis of the IAS/IFRS applied in preparing the CbCR. Therefore, as regards profit and loss and balance sheet aggregates, data may differ from the values recorded by individual entities in each jurisdiction on the basis of the applicable local accounting standards.

With reference to the reporting scope, detailed information on the entities included in the Consolidated Financial Statements and their tax jurisdiction is given in the Notes and Comments to the Consolidated Financial Statements, Part A.1 – Section 3.

TAX JURISDICTION

(AMOUNTS IN € THOUSAND, EXCEPT FOR THE NO. OF EMPLOYEES)	1. NAMES OF RESIDENT ENTITIES	2. CORE BUSINESS	3. NO. OF EMPLOYEES	4. INCOME FROM SALES TO THIRD PARTIES	5. INCOME FROM INTRAGROUP TRANSACTIONS WITH OTHER TAX JURISDICTIONS	6. PROFIT (LOSS) BEFORE TAXATION	7. PROPERTY AND EQUIPMENT	8. CORPORATE INCOME TAXES ACCRUED (CURRENT)	9. CORPORATE INCOME TAXES PAID ON A CASH BASIS
Italy	For detailed information on the entities included in the Consolidated Financial Statements and their tax jurisdiction, see the Notes and Comments to the Consolidated Financial Statements, Part A.1 – Section 3	Banking activities	994	1,227,863	152,180	265,694	131,938	90,000	108,439
of which: Banca Generali S.p.A.		Banking activities	851	1,176,824	151,923	258,116	130,063	87,774	105,225
Luxembourg		Asset management	34	490,394	265	285,266	3,911	35,677	40,000
Switzerland		Asset management							
			37	8,806	76	-15,676	3,499	-	-
Total Report			1,064	1,727,064	152,521	535,283	139,347	125,677	148,439
Reconciliation (consolidation adjustments, taxes on intragroup dividends)				-	-152,521	682	-	4,122	9,677
Consolidated Financial Statements			1,064	1,727,064	-	535,965	139,347	129,799	158,116

The following definitions should be considered when assessing the figures in the above table:

- › **Number of employees:** average number of employees in the year, calculated on a full-time equivalent basis;
- › **Income from sales to third parties:** income from transactions with entities not belonging to Banca Generali Group (i.e., entities not included in the Consolidated Financial Statements of Banca Generali S.p.A.). The term “income” is to be construed broadly as corresponding to net banking income gross of interest expense and fee expense. Dividends received from other group entities are not included;

³⁰ As highlighted in the chapter on integrated reporting in this Report, Banca Generali publishes annually, on its corporate website, the specific Country-by-Country Report required from the banking sector by Article 89 of Directive 2013/36/EU (CRD IV), as governed by Bank of Italy Circular No. 285/2013.

- › **Income from intragroup transactions with other tax jurisdictions:** revenues generated by transactions between Group entities residing in other tax jurisdictions. Dividends received from other Group entities are not included;
- › **Profit (Loss) before taxation:** profit gross of taxes. Dividends received from other Group entities are not included;
- › **Corporate income taxes paid:** corporate income taxes paid (on a cash basis) in the reporting year, regardless of the year to which the taxes refer. Corporate income taxes paid do not include taxes paid on dividends received from other Group entities (9,677 thousand euros³¹);
- › **Corporate income taxes, accrued (current):** corporate income taxes calculated on the taxable income for the year (current taxes). Prior-year current taxes (a 40,216 thousand euro decrease), deferred tax assets, deferred tax liabilities and any provisions for uncertain tax liabilities (uncertain tax positions) are not included. The decline in prior years' taxes included a 37,584 thousand euro provision relating to the expected reimbursement of the IRAP tax paid on dividends from EU subsidiaries following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 and the subsequent transposition thereof into the Italian tax law through the 2026 Budget Law (Law No. 199/2025). In addition, taxes accrued on dividends received from other Group entities (4,122 thousand euros) are not included;
- › **Property and equipment** (other than cash and cash equivalents): net carrying amount of property and equipment. Pursuant to IFRS 16, property and equipment include "rights of use" arising from property and other equipment leasing transactions. Cash and cash equivalents, intangible assets and financial assets (equity investments) are not included.

As regards the reasons for the difference between (i) the tax burden — expressed in terms of both actual taxes and accrued (current) taxes and (ii) theoretical tax (i.e., tax due for the purposes of GRI 207-4-b-x), see Part C – Section 21 "Income tax for the year from operating activities – Item 300" in the Notes and Comments to the Consolidated Financial Statements as regards the Group as a whole, and to Part C - Section 19 "Income tax for the year from operating activities – Item 270" in the Notes and Comments to the Separate Financial Statements as regards Banca Generali S.p.A.

In addition, the following table shows the actual tax rate and the cash tax rate of Banca Generali, as reported in the Consolidated and Separate Financial Statements of Banca Generali. For further information, reference should be made to the aforementioned sections in the Consolidated and Separate Financial Statements.

FINANCIAL STATEMENTS	PROFIT BEFORE TAXATION (A)	INCOME TAXES FOR THE YEAR ⁽¹⁾ (B)	INCOME TAXES PAID ⁽²⁾ (C)	EFFECTIVE TAX RATE (B/A)	CASH TAX RATE (C/A)
Consolidated Financial Statements	535,965	89,254	158,116	16.7%	29.5%
Separate Financial Statements	507,666	52,115	114,895	10.3%	22.6%

(1) Income taxes for the year, as reported in the Consolidated and Separate Financial Statements of Banca Generali ("reported taxes"). This item includes current taxes (including those on dividends received from other Banca Generali Group entities), prior years' taxes, deferred tax assets and liabilities and any provisions for uncertain tax liabilities (uncertain tax positions).

(2) Income taxes paid, including those on dividends received from other Banca Generali Group entities and prior years' taxes.

In accordance with the provisions set forth in Circular No. 285 issued by the Bank of Italy on 17 December 2013 (Part I, Title III, Charter 2), information on operations by country to be disclosed by the Banking Group, pursuant to Article 89 of Directive No. 2013/36/EU dated 26 June 2013, is available on the corporate website of Banca Generali: www.bancagenerali.com/en/governance/corporate-documents.

³¹ The difference between the tax on intragroup dividends, amounting to 9.7 million euros, and the tax paid for 4.0 million euros is attributable to the higher portion of dividends from EU subsidiaries excluded from taxation, which went from 50% to 95%.

Proposal for the Distribution of Profits

In 2025, Banca Generali S.p.A. reported net profit amounting to 455,551,371 euros. In submitting the Financial Statements for the year ended 31 December 2025 for your approval, we propose allocating the net profit for the year as follows:

Net profit for the year	455,551,371
> allocation to retained earnings	116,681,624
> allocation to each of the 116,851,637 ordinary shares issued of	
– a dividend of 2.20 euros per share, to be paid in May 2026	257,073,601
– a dividend of 0.70 euros per share, to be paid in February 2027	81,796,146
> for a total of	338,869,747

The dividend policy for the three years covered by the 2022-2024 Strategic Plan — approved by the Bank's Board of Directors on 14 February 2022 and still applicable pending the approval of the new Plan — allows for the possibility of proposing to the Shareholders' Meeting that approves the Financial Statements of each year of the Plan the distribution of a portion of the net profit reported in each year, identified as the sum of the two following components:

- > a portion calculated at between 70% and 80% of recurring consolidated net profit;
- > a portion calculated at between 50% and 100% of non-recurring consolidated net profit.

To this end, the recurring consolidated net profit component — as it is already determined and reported on the market with quarterly frequency — consists of: (i) the consolidated net profit for each year, net of certain variable components such as performance fees and net income from trading of the proprietary portfolio, and (ii) negative and/or positive one-off components not included in the Strategic Plan.

The actual dividend distribution in the amount indicated is in any event conditional on the maintenance over time of a Total Capital Ratio in excess of the tolerance threshold provided for in the Risk Appetite Framework from time to time.

The policy also states that the dividend is to be paid in two coupons with different payment and record dates: the first is to be set by the end of the second quarter of the same year in which the Shareholders' Meeting approves the Financial Statements for each year, and the second by the first quarter of the year after that in which the Financial Statements for each year are approved.

In this regard, it should be noted that at the end of 2025 the Bank's consolidated net profit amounted to **445.8 million euros**, broken down as follows:

- > recurring consolidated net profit: **362.5 million euros**;
- > non-recurring consolidated net profit: **83.4 million euros**.

In light of the results reported, it is therefore proposed to the Board of Directors to submit for the approval of the General Shareholders' Meeting the distribution of a dividend equal to the sum of **76%** of both recurring consolidated net profit, in line with the previous year, and non-recurring consolidated net profit, for a total amount of **338.9 million euros**, equal to a **76% payout**, calculated on the Banking Group's total consolidated net profit for financial year 2025.

It should be therefore noted that the Board of Directors will propose to the Shareholders' Meeting to allocate the Bank's statutory net profit for 2025, amounting to **455.6 million euros**, as follows:

- > **338.9 million euros** to dividend distribution, as per the terms specified below;
- > the remaining **116.7 million euros** to retained earnings.

The proposed dividend provides shareholder remuneration consistent with the Group's sustainable profitability, while also ensuring that the Bank and the Banking Group are adequately capi-

talised. The above is true both from the perspective of the set of rules known as Basel 3 and the recommendations made by the Bank of Italy and the ECB. In fact, the individual and consolidated capital requirements determined on the basis of the content of this proposal are well in excess of the mandatory levels set by EU authorities and the Supervisory Board.

It should be noted that, if the proposal is approved, consolidated **CET1 ratio** and **TCR** at 31 December 2025 will amount to **17.1%** and **18.9%**, respectively, compared to SREP minimum requirements (including the combined buffer) of 8.7% and 13.2%, respectively.

Based on the provisions of the dividend policy currently in force, if the proposal is approved, shareholders will be paid a dividend of **2.90 euros** per share (gross of legal withholdings) for each of the 116,851,637 shares issued by the Bank, as follows:

- › **2.20 euros** per share, ex-date 18 May 2026; record date 19 May 2026, and payment date 20 May 2026;
- › **0.70 euros** per share, ex-date 22 February 2027; record date 23 February 2027, and payment date 24 February 2027.

It should also be noted that any treasury shares the Bank may hold at the record date and outstanding shares for which limits on the distribution of dividends apply under the applicable Remuneration Policies will not be subject to any distribution. The portion of dividends associated with such shares will therefore be allocated to retained earnings.

Reserve pursuant to Article 6, paragraph 1(a), of Italian Legislative Decree No. 38/2005

Pursuant to Article 6, paragraph 1(a), of Legislative Decree No. 38/2005 currently in force, a portion of net profit for the year corresponding to the capital gains recognised in the Profit and Loss Account, net of the related tax charges and other than those associated with trading financial instruments and exchange and hedging transactions, based on the application of the fair value criterion, must be allocated to a restricted reserve. This reserve is reduced based on the amount of capital gains realised, also through amortisation, or no longer material due to impairment.

At 31 December 2025, the restricted reserve amounted to 2,986,178 euros and must therefore be increased, with respect to the amount previously allocated, by 230,947 euros to be drawn from the retained earnings reserve, and thus without the need to allocate a portion of the net profit for the year.

Trieste, 4 March 2026

The Board of Directors



Sustainability Statement



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General basis for preparation of sustainability statement

Statement of Methods

This document constitutes the Sustainability Statement of Banca Generali Group (also “the Group” or “the Banking Group”), prepared pursuant to Italian Legislative Decree No. 125 of 6 September 2024, implementing Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive – CSRD), and in compliance with the European Sustainability Reporting Standards (ESRS), as issued by the European Financial Reporting Advisory Group (EFRAG) and adopted by the EU, in addition to the disclosure requirements as per Article 8 of the EU Taxonomy and its Delegated Acts.

This document has been prepared with a view to ensuring the understandability of all information regarding the Banking Group’s activities, and the other qualitative characteristics included under ESRS 1, Appendix B, of the above-mentioned EU Directive.

This document covers all material sustainability matters with reference to financial year 2025 (1 January - 31 December), in line with the Directors’ Report on Operations and the Group’s Financial Statements, with which it shares the same consolidation scope.

The reporting scope of the Sustainability Statement includes Banca Generali S.p.A., BG Fund Management Luxembourg S.A., Generfid S.p.A., BG Aequitum S.A. (formerly “BG Valeur S.A.”), BG (Suisse) Private Bank S.A., Intermonte Partners SIM S.p.A. and Intermonte SIM S.p.A., and coincides with the scope of equity investments in wholly owned subsidiaries presented in the Consolidated Financial Statements of Banca Generali at 31 December 2025.

With regard to this document, it should be noted that:

- › the term “Banking Group” is used to indicate the entire Banca Generali Group;
- › the full company name “Banca Generali S.p.A.” is used where it is necessary to refer to Banca Generali individually as the Parent Company;
- › the expression “Intermonte” is used to indicate Intermonte SIM S.p.A. and Intermonte SIM Partners S.p.A., collectively;
- › the expression “Generali Group” is used to indicate the entire Assicurazioni Generali Group, of which Banca Generali Group is part.

The information provided in this Sustainability Statement has been extended to include information on the material impacts, risks and opportunities connected with the undertaking through its direct and indirect business relationships in the upstream and/or downstream value chain. In detail, the value chain has been divided so as to include the Banking Group’s Upstream Operational Activities, Core Operational Activities and Downstream Business Activities³².

The double materiality assessment of the Banking Group has been carried out using the data available at the time of the assessment. It is based on the analysis performed in the previous reporting year, as subsequently revised and updated and then approved by Banca Generali S.p.A.’s Board of Directors in November. This process made it possible to integrate the related findings and led to the identification of two new opportunities linked to the enhancement of Human Capital³³.

In addition to the outcome of the Double Materiality Analysis, this Sustainability Statement also incorporates information on the G1-2 (Management of relationships with suppliers), G1-5 (Political influence and lobbying activities) and G1-6 (Payment practices) disclosure requirements, which are also deemed relevant to fulfilling Borsa Italiana’s requirements specified in its “Format for the preparation of the corporate governance report”.

Information on policies, actions, targets and metrics relating to all the material topics — with reference to the Group’s operations and chain value — is provided in the dedicated chapters of this document.

³² For further details on the Group’s value chain, see section “SBM-1: Strategy, business model and value chain”

³³ See the Double Materiality Analysis section – “IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities” and “SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model”.

Banca Generali Group did not use the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation, nor the possibility not to disclose information on potential extraordinary transactions; for details on any extraordinary transactions approved after the close of the year ended 31 December 2025, reference should be made to section “Events Occurred After the Consolidated Balance Sheet Date”.

This consolidated Sustainability Statement, contained in the Directors’ Report on Operations, is subject to limited assurance by KPMG S.p.A.

The Independent Auditor’s Report on the Sustainability Statement is appended at the end of the Annexes.

Disclosures in relation to specific circumstances

ESRS 2
BP-2

As regards medium- or long-term time horizons (up to five years, beyond five years), the undertaking did not deviate from the provisions of the EU regulations governing this document.

In the Sustainability Statement, the Banking Group included some data and indicators containing estimates, which also take into account internationally recognised frameworks and standards, in particular with regard to value chain information. In compliance with ESRS-1, Banca Generali Group undertook all reasonably required actions to directly collect quantitative data from the counterparties deemed the most relevant, with specific regard to climate change information.

In detail, the values mainly influenced by the use of such estimates concern the disclosure of greenhouse-gas emissions (GHG), the measurement of which is based on conversion and emission factors contained in internationally recognised standards, as well as on some proxies used to define the environmental metrics included in Section EI-6 (Gross Scopes 1, 2 and 3 and Total GHG emissions).

The Sustainability Statement was prepared in compliance with the regulatory framework of reference and does not include any additional information provided for by other regulatory provisions or the commonly adopted sustainability reporting frameworks, except for the information required under Article 8 of Regulation (EU) 2020/852 of the European Parliament relating to EU Taxonomy. In this regard, reference should be made to the specific dedicated disclosure and to the information expressly provided in Section BP-1 (General basis for preparation of sustainability statement).

Moreover, the Banking Group applies the transitional provisions pursuant to Appendix C of ESRS 1, as also supplemented by the additional ESRS provisions contained in the Delegated Act of 11 July 2025 (so-called “quick fix delegated act”) with regard to the following disclosure requirements: SBM-1 (Strategy, business model and value chain), with reference to points 40 (b), 40 (c) and 48 (e); and EI-9 (Anticipated financial effects from material physical and transition risks and potential climate-related opportunities, for which only qualitative data is provided).

The role of the administrative, management and supervisory bodies

ESRS 2
GOV-1

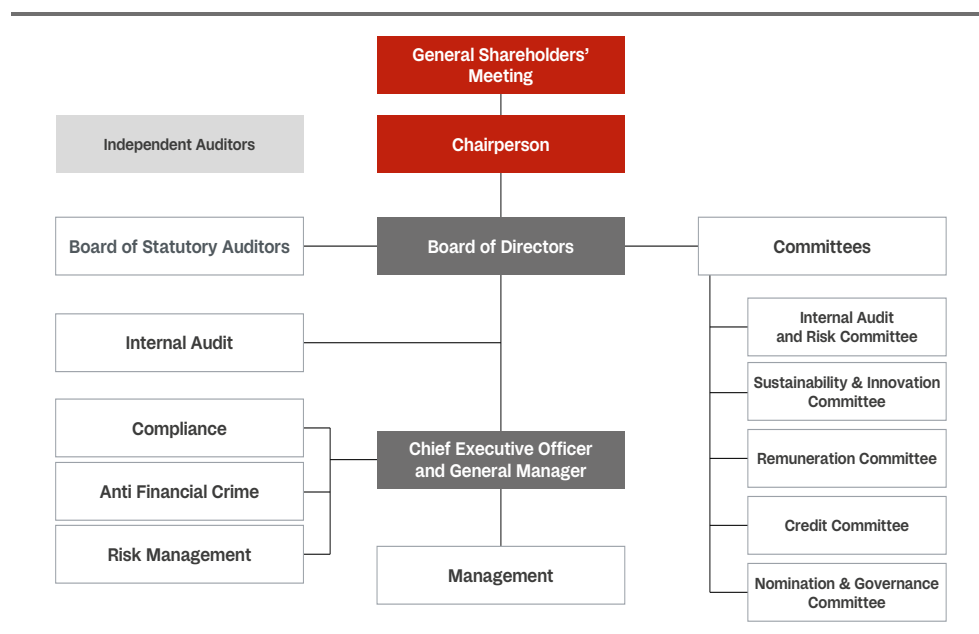
G 1
GOV-1

The governance structure of Banca Generali S.p.A. is based on the **traditional model**, which consists of the following corporate bodies: Shareholders’ Meeting, Board of Directors and Board of Statutory Auditors.

The **Board of Directors**, appointed by the Shareholders’ Meeting on 18 April 2024, is composed of 9 members, of whom 3 Non-Independent Directors (including the Chairperson and the Chief Executive Officer) and 6 Independent Directors, in accordance with the laws and regulations currently in force. As the strategic oversight body, the Board of Directors leads the Company pursuing its sustainable success, which consists in creating long-term value for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company, accordingly formulating strategies and objectives for the Bank and the Banking Group it controls, in addition to verifying and monitoring their implementation on an ongoing basis. In defining the corporate strategies, the Board of Directors takes into account, *inter alia*, the sustainable finance goals and in particular the integration of environmental, social and governance (ESG) factors into company decision-making processes.

Five Board committees have been set up within the Board of Directors: the Internal Audit and Risk Committee, the Remuneration Committee, the Nomination and Governance Committee, the Sustainability and Innovation Committee, and the Credit Committee.

The **Board of Statutory Auditors**, appointed by resolution of the Shareholders' Meeting of 18 April 2024, is made of three Acting Auditors and two Alternate Auditors, and has a control function, in accordance with the laws and regulations currently in force.



Composition of Banca Generali's corporate bodies

Administrative and management bodies

Banca Generali S.p.A.'s administrative body is the Board of Directors, which is tasked with strategic oversight and is responsible for resolving upon Banca Generali S.p.A.'s strategic guidelines and for ensuring their implementation over time.

Banca Generali S.p.A.'s Board of Directors in office at 31 December 2025 was appointed through the list voting system by the Shareholders' Meeting held on 18 April 2024 and its term will end on the date of approval of the Financial Statements for the year ending 31 December 2026. In this regard, it should be noted that the proposal for appointing its members was submitted to the aforementioned Shareholders' Meeting after determination of their number (set at nine) and definition of their term of office.

At 31 December 2025, the Board of Directors of Banca Generali S.p.A. was made up of nine members. The following table shows in detail the body's composition and diversity, with indication of the individual relevant competencies.

NAME AND SURNAME	GENDER	ROLE	EXEC. DIRECTOR	INDEP. DIRECTOR	APPOINTED BY	LIST (Majority/ minority)	RELEVANT COMPETENCIES ^(*)																
							1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Antonio Cangeri	M	Chairman			Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■		■		■	■	■	■	■
Gian Maria Mossa	M	Director	X		Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Azzurra Caltagirone	F	Director			Shareholders' Meeting 18.04.2024	M	■		■	■			■			■	■		■	■		■	■
Lorenzo Caprio	M	Director		X	Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■		■		■	■	■	■	■
Paolo Ciocca	M	Director		X	Shareholders' Meeting 18.04.2024	m	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Roberta Cocco	F	Director		X	Shareholders' Meeting 18.04.2024	M	■		■	■		■		■	■	■	■	■	■	■	■	■	■
Alfredo Maria De Falco	M	Director		X	Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Anna Simioni	F	Director		X	Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■					■	■	■	■
Cristina Zunino	F	Director		X	Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1	Financial markets				10	Markets of reference in which the Banking Group operates or experience about markets and investments with an international perspective																	
2	Banking and financial sector regulations																						
3	Guidance and strategic planning																						
4	Organisational structures and corporate governance				11	Innovation, fintech and/or alternative investments																	
5	Risk management				12	Digital, ICT and/or cybersecurity																	
6	Internal control systems and other operational mechanisms				13	Global dynamics of the economic and financial system																	
7	Banking and financial activities and products				14	Business strategy and/or models relevant to the Company																	
8	Accounting and financial reporting				15	ESG																	
9	IT				16	Human Capital/Human resources																	
					17	Knowledge in the lending area																	
(*) The relevant competencies indicated in the table above reflect the content of the statements made by each Director during the candidacy process. These competencies meet the criteria pursuant to Article 10 of the MEF Decree, as well as the additional competencies identified by the outgoing Board of Directors — whose term expired with the Shareholders' Meeting approving the Financial Statements for the year ended 31 December 2024 — in its recommendation on the optimal qualitative-quantitative composition of the Board.																							
Independence of members: • 6 independent members (66.7%)						Gender of members: • 5 male members (55.6%) • 4 female members (44.4%) Ratio of the number of male members to the number of female members: 1.25																	

Moreover, it is specified that in 2024, following the appointment of the Board of Directors currently in office, induction sessions had been held to provide an introductory overview of the Bank, of the Group reporting to it and of the main sectors in which they operate, in addition to a specific induction session covering ESG matters with a focus on regulatory aspects, the market context and risk management. In 2025, with a view to ongoing training and increasingly specialised risk management education, further induction sessions focussed on the geopolitical context, anti-corruption and anti-bribery and strategy, as well as on IT security and artificial intelligence.

It should also be noted that Banca Generali S.p.A.'s organisational structure entrusts the managing function to the **Chief Executive Officer**, who currently also holds the position of General Manager.

As the body with managing functions, the Chief Executive Officer is vested with the powers established for this role by the Supervisory Provisions and those granted by the Board of Directors. The updated delegated powers are outlined in the Report on Corporate Governance and Company Ownership published every year on Banca Generali S.p.A.'s website.

The Chief Executive Officer is supported by the Managing Committee — a body with advisory functions set up to assist top managers — in collectively examining and analysing in detail the most significant strategic and managerial aspects. In addition to the Chief Executive Officer who chairs it, this Committee consists of the two Deputy General Managers and the top management functions. It is in charge, *inter alia*, of managing on a half-yearly basis all matters related to social and environmental responsibility and sustainability at the Banking Group level. In this context, the Managing Committee, in accordance with the guidelines and principles set forth by the Sus-

tainability and Innovation Committee, defines sustainability-related opportunities, risks, common objectives, targets, areas for improvement, content and reporting methods, and analyses the results set out in the Annual Integrated Report, discussing the achievement of the targets set, the difficulties faced and the issues still to be solved.

The Italian legislation and Banca Generali S.p.A.'s Articles of Association do not provide for the representation of employees and/or other workers within the administrative and management bodies.

Supervisory body

Under the traditional governance model adopted by Banca Generali S.p.A., the supervisory function is entrusted to the Board of Statutory Auditors.

At 31 December 2025, Banca Generali S.p.A.'s Board of Statutory Auditors, appointed by resolution of the Shareholders' Meeting of 18 April 2024, was made up of three Acting Auditors and two Alternate Auditors. The following table shows in detail the body's composition and diversity, with indication of the individual relevant competencies.

NAME AND SURNAME		GENDER	ROLE	APPOINTED BY	LIST (Majority/ minority)	RELEVANT COMPETENCIES												
						1	2	3	4	5	6	7	8	9	10	11	12	13
Natale Freddi		M	Chairman	Shareholders' Meeting 18.04.2024	m	■	■		■	■	■	■	■	■		■		■
Paola Carrara		F	Acting Auditor	Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■		■	■	■
Giovanni Garegnani		M	Acting Auditor	Shareholders' Meeting 18.04.2024	M	■	■	■	■	■	■	■	■	■		■	■	■
Maria Maddalena Gnudi		F	Alternate Auditor	Shareholders' Meeting 18.04.2024	M	■	■		■	■	■	■	■	■		■		■
Diana Rizzo		F	Alternate Auditor	Shareholders' Meeting 18.04.2024	m	■	■	■	■	■	■	■	■	■		■	■	■
1	Financial markets			8	Accounting and financial reporting													
2	Banking and financial sector regulations			9	IT													
3	Guidance and strategic planning			10	Markets of reference in which the Banking Group operates or experience about markets and investments with an international perspective													
4	Organisational structures and corporate governance			11	Digital, innovation, fintech and/or alternative investments													
5	Risk management			12	Business strategy and model													
6	Internal control systems and other operational mechanisms			13	ESG													
7	Banking and financial activities and products																	
Gender of members:																		
• 2 male members (40%)																		
• 3 female members (60%)																		

Sustainability-related expertise of Banca Generali S.p.A.'s corporate bodies

› **Board of Directors:** the strategic oversight body plays an active steering and governing role in integrating climate-related and environmental risks into the corporate culture and strategy, as well as in the risk appetite framework and in the risk limits of the managed portfolios, incorporating them consistently within the main corporate policies and accordingly adapting the organisational and management systems. In this context, the Board of Directors (i) examines and approves the documents relating to the ICAAP, the RAS and the RAF, ensuring supervision of the risks and opportunities connected with a change in the Bank's activities, and (ii) expresses a preliminary assessment of the proposals for updating the ESG strategic guidance policies and other sustainability-related internal regulations. The year 2025 also saw the continuation of the monitoring of the 2023-2025 Action Plan for achieving alignment with the **Bank of Italy's Supervisory expectations for climate-related and environmental risks**, approved in May 2023 by the Board of Directors, with the prior opinion of the committees responsible for this matter, and subsequently extended in June 2024. The specific reports submitted in May and October 2025 confirmed the regular progress of the planned initiatives, with particular regard to the ESG data governance project.

As regards the Board members' sustainability-related expertise — as highlighted in the detailed table reported above —, this body includes specialised professionals who complement its

qualitative and quantitative composition with specific ESG skills, it being however understood the ongoing training provided to its members.

- › **Board of Statutory Auditors:** it supervises compliance with regulations governing the Sustainability Statement pursuant to Italian Legislative Decree No. 125/2024, verifying that the Company complies with the obligations under European (**CSRD**) and Italian regulations, including the transparency requirements and the proper disclosure of ESG information. Moreover, **the Board of Statutory Auditors ensures that the sustainability-related information revision and assurance processes are activated**, in accordance with the required standards.
- › **Board Committees:** in defining the corporate strategies, the Board of Directors takes into account the sustainable finance goals and the integration of ESG factors into company decision-making processes. In this specific regard, the Board Committees play a fundamental role, as they allow for a broader analysis and integration of ESG factors at all levels. Sustainability profiles and principles are adopted across all the areas within the Board Committees' remit:
 - pursuant to the Rules of the Board of Directors and the Board Committees, the **Sustainability and Innovation Committee** is responsible, *inter alia*, for:
 - supporting the Board with integrating sustainability into the formulation of business strategies, with particular regard to the analysis of matters relevant to ensuring the generation of long-term value for Banca Generali S.p.A. and for the Banking Group, as well as into the definition of material matters;
 - providing a prior assessment of the proposals for updating the Sustainability Policy, of strategic ESG-related policies and of any other sustainability-related internal normative document falling within the remit of the Board of Directors;
 - monitoring on a regular basis the main sustainability-related KPIs, the implementation of any climate-related or GHG emission reduction strategies, the signing of major international ESG initiatives and the performance of ESG ratings, also defining any initiative aimed at improving them and regularly reporting any developments or updates to the Board of Directors;
 - examining the general outline of the Sustainability Statement contained in the Annual Integrated Report and its content organisation, as well as the completeness and transparency of the information it provides, expressing its observations in this regard to the Board of Directors called to approve the said Statement;
 - supporting the Remuneration Committee in the formulation of proposals regarding company plans, targets, rules and procedures relating to social and environmental matters and, more generally, sustainability, in line with the applicable laws and regulations;
 - pursuant to the Rules of the Board of Directors and the Board Committees, the **Internal Audit and Risk Committee** also ensures that, where applicable, risks and aspects relating to ESG factors are taken into due account in the framework of its risk assessments, in line with the internal normative documents in force and applicable from time to time, so as to foster the Sustainable Success of Banca Generali S.p.A. and of the Banking Group;
 - pursuant to the Rules of the Board of Directors and the Board Committees and in coordination with the Sustainability and Innovation Committee, the **Remuneration Committee** formulates proposals regarding company plans, targets, rules and procedures relating to social and environmental matters and, more generally, sustainability, in line with the applicable laws and regulations:
 - promoting the gradual adoption of short- and medium/long-term qualitative and quantitative indicators focused on ESG matters;
 - supporting the identification of performance targets, which are a prerequisite for the provision of predetermined, measurable variable components that are tied, to a significant extent, to a long-term horizon and that are consistent with Banca Generali S.p.A.'s strategic objectives and designed to promote its sustainable success, also including non-financial parameters, where relevant;
 - ensuring compliance with sustainable finance laws;
 - contributing to the preparation of a remuneration policy consistent with sustainability risk, from the standpoint of both individual performance and of alignment with the interests of shareholders, investors and stakeholders;
 - pursuant to the Rules of the Board of Directors and the Board Committees, the **Credit Committee**, *inter alia*, supports the Board of Directors to the extent of its remit, and ensures that the Board may adopt all appropriate lending resolutions in accordance with an assessment of the risks underlying the loans that also takes account of the risks connected to environmental, social and governance (ESG) factors, as laid down in the Sustainability Policy adopted by the Bank and pursuant to the Credit Regulation;
 - the **Nomination and Governance Committee:** pursuant to the Rules of the Board of Directors and the Board Committees, in discharging its advisory and recommendatory functions with regard to appointments and governance, it must take into account that Banca Generali S.p.A.'s Board of Directors have to represent a balanced composition of theoretic-

cal and/or technical experience and knowledge from a managerial and/or entrepreneurial standpoint, including with regard to ESG matters.

Therefore, the Board Committees are involved in processes concerning impacts, risks and opportunities connected with matters falling within their respective remit, supporting the Board of Directors in integrating sustainability also into the formulation of corporate strategies pursuant to the Rules of the Board of Directors and the Board Committees and the Sustainability Policy.

In this regard, it should be noted that the Board of Directors and Board Committees of Banca Generali S.p.A. receive regular updates on **sustainability matters** through specific reports, which include performance analyses and indicators linked to individual impacts, risks and opportunities³⁴.

Other sustainability-related roles

- › **Managing Committee**: in its capacity as advisory body supporting top managers, it analyses all matters related to social and environmental responsibility and sustainability at the Banking Group level, in compliance with the guidelines and principles defined by the Sustainability and Innovation Committee, so as to define the opportunities, risks, common objectives, targets, areas for improvement and the reporting methods of the Sustainability Statement.
- › **Chief Executive Officer and General Manager**: on the proposal of the Head of General Counsel & Sustainability and of the managers in charge of the matter at hand, the CEO and General Manager approves the internal normative documents implementing the Sustainability Policy.

Banca Generali Group has implemented controls and procedures aimed at managing sustainability-related impacts, risks and opportunities, integrating such measures into its overall governance, internal control and risk management system. In this regard, the General Counsel & Sustainability structure connects the various internal functions with the Banking Group's functions, adopting a "hybrid" organisational model in line with the Bank of Italy's Supervisory expectations for climate-related and environmental risks³⁵.

In particular, through the Banking Group Sustainability structure, the implementation and circulation of the sustainability strategy are guaranteed through constant dialogue with the various functions, while ensuring the correct flow of information within the Group and promoting Banca Generali's values and mission.

Sustainability-related controls and procedures are therefore embedded in risk management, compliance and internal control processes, as well as in the information flows towards the competent corporate bodies.

The **Banking Group Companies** undertake to integrate material sustainability topics in their processes and related measurement procedures, internal normative documents and operational activities, availing of the management functions and of the manager in charge of ESG oversight, in coordination with the Banking Group Sustainability structure.

The Double Materiality Analysis — aimed at preparing the Sustainability Statement — is led by the Head of General Counsel & Sustainability, supported by the Banking Group Sustainability structure, with the involvement of *Risk Management* in order to integrate risk assessment into the definition of materiality.

With regard to the involvement of the administrative, management and supervisory bodies in the double materiality process, Banca Generali S.p.A. duly takes into consideration the opinion of the Bank's Managing Committee, the position of the Subsidiaries' representatives — in order to take account of the specific characteristics of the Banking Group companies —, and Generali Group's double materiality analysis, together with the informed opinion of the Banking Group Sustainability structure, stakeholders and any external experts.

The analysis results, consisting of the final list of material topics, **are submitted for approval to Banca Generali S.p.A.'s Board of Directors**, after prior **opinion by the Sustainability and Innovation Committee**. To this regard, it bears recalling that on 5 November 2025, after receiving a favourable opinion from the Sustainability and Innovation Committee, the Bank's Board of Direc-

³⁴ For further details, see Section "GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies".

³⁵ Thematic Survey on the degree of alignment of LSIs with supervisory expectations for climate-related and environmental risks, November 2022.

tors approved the outcome of the Double Materiality Analysis performed for the purposes of the 2025 Sustainability Statement³⁶.

It should also be noted that the Board of Directors establishes rules of professional conduct for the Bank's personnel, also through a code of ethics or similar instruments, ensuring they are implemented and monitoring personnel's compliance with them. It also lays down the operating methods and control measures designed to ensure compliance with the rules of professional conduct, including through the indication of non-permitted behaviour.

Procedures for selecting and appointing the members of the Board of Directors and Board Committees

Procedures for appointing the members of the Board of Directors

Pursuant to Article 15 of the Articles of Association, Banca Generali is managed by a Board made up of no less than seven and no more than twelve members, appointed by the Shareholders' Meeting after determination of the number of members. The composition of the Board of Directors complies with the regulatory gender-balance criteria. The members of the Board of Directors hold office for a maximum of three financial years. Their mandate ends on the date of the meeting called to approve the financial statements of the last financial year of said term and they are eligible for reappointment. If appointments are made during the Board's mandate, the term of the newly elected members comes to an end together with the serving members. Board members must possess the eligibility requirements and criteria for performing their duties (including those referring to time commitment and limits on the number of concurrent positions held) established by the applicable legislation and regulations in force from time to time.

The members of the Board of Directors are appointed on the basis of lists of candidates, pursuant to the provisions of Banca Generali's Articles of Association. If during the term of office one or more Board members should leave office for whatever reason, they will be replaced according to the procedures established by the law. If the leaving director was taken from the minority list that had obtained the greatest number of votes, replacement will occur with appointment of the first eligible candidate taken from the same list as the outgoing director and willing to accept office or, where this is not possible, with the appointment of the first eligible candidate who is willing to accept office and taken, in serial order, from the list to which the first unappointed candidate belonged. The term of the replacement director shall expire together with the term of the directors in office at the time of the replacement director's appointment to the Board. In the event of termination of office of an independent director, the replacement director must possess the independence requirements provided for by the applicable laws and regulations.

Where it is not possible to proceed as described above, either because of too few candidates being present on the lists or as a result of non-acceptance of appointments, the Board of Directors shall co-opt, within the meaning of Article 2386 of the Italian Civil Code, a director selected by the Board in accordance with the criteria established under the law. In the event of termination of office of an independent director, the replacement director, co-opted by the Board of Directors or appointed by the Shareholders' Meeting, must possess the independence requirements provided for by the applicable laws and regulations. The director thus co-opted shall remain in office through to the next Shareholders' Meeting that shall either confirm or replace him or her following the ordinary procedures and with ordinary majorities, in departure from the list-based voting system mentioned in Article 15 of the Articles of Association.

The Bank's Nomination and Governance Committee is involved in the appointment process described above and, *inter alia*, supports the Board of Directors in activities concerning the appointment or co-option of directors.

In accordance with the Articles of Association, the Chairperson may be elected by the Shareholders' Meeting or, when not appointed by the Shareholders' Meeting, by the Board of Directors. The Chairperson in office was appointed by the General Shareholders' Meeting held on 18 April 2024, as the first candidate on the list that obtained the majority of votes. The Chairperson in office is an Executive of the parent company Assicurazioni Generali S.p.A.

The Board is also required to appoint a Secretary and establish his or her term of office. The Secretary need not necessarily be a Board member.

³⁶ For further details on the double materiality process, see Section "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities".

Procedures for assessing the Board of Directors' performance

In line with the applicable regulatory provisions, the Board of Directors of Banca Generali S.p.A., with at least annual frequency and with support from an external professional, expresses an opinion on the functioning of the Board of Directors and Board Committees (also with regard to the assessment of ESG aspects and impacts on all its main stakeholders). It also expresses an opinion on their size and composition. The procedures for conducting the self-assessment process of the Board of Directors are established in Annex 1 to "Rules of the Board of Directors and the Board Committees" in force from time to time.

The appointment for carrying out activities supporting the self-assessment of the Board of Directors and Board of Statutory Auditors for the 2024-2026 three-year period has been conferred on the firm Spencer Stuart.

The self-assessment process for the financial year 2025 was carried out between November 2025 and February 2026.

Continuing on from previous years, the methodology adopted — in line with Italian and international best practices — provided for both the completion of a personalised self-assessment questionnaire on Banca Generali's characteristics, and individual and confidential interviews with all the Directors held by the Spencer Stuart consultant, to further analyse the topics covered by the self-assessment and collect further contributions and information.

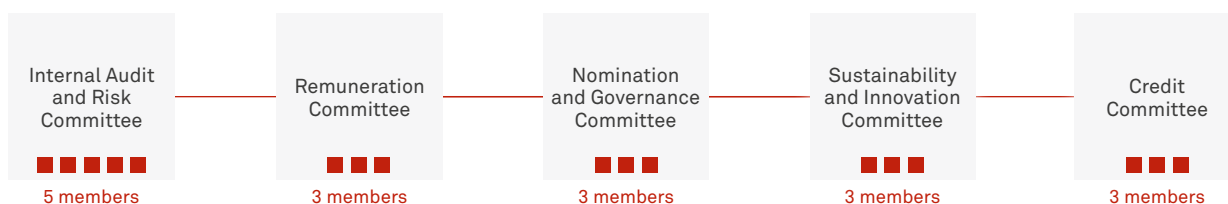
At the end of the activities carried out, a largely positive picture emerged in terms of both functioning and dynamics within the Board of Directors and Board Committees.

Procedures for appointing the members of the Board Committees

In accordance with the provisions set forth in Bank of Italy Circular No. 285 of 17 December 2013 (hereinafter "**Bank of Italy Circular No. 285**") and in the Corporate Governance Code for Listed Companies approved by the Corporate Governance Committee of Borsa Italiana and adopted by the Bank (hereinafter the "**Corporate Governance Code**"), in order to improve its functioning, **the Board of Directors convened on 18 April 2024 resolved to set up the following Board Committees (vested with preliminary, consultative and advisory functions):**

- › Internal Audit and Risk Committee (made up of 5 members);
- › Remuneration Committee (made up of 3 members);
- › Nomination and Governance Committee (made up of 3 members);
- › Sustainability and Innovation Committee (made up of 3 members);
- › Credit Committee (made up of 3 members),

establishing that all the said Committees shall be exclusively made up of Non-executive and Independent Directors.



Following the establishment of the aforementioned Board Committees, as well as the installation of the new Board of Directors, the administrative body approved the *Rules of the Board of Directors and the Board Committees* containing — in addition to a description of each Board Committee's purview and competencies — the rules of operation also of the said Committees, including the procedures for minuting and the procedures for managing information to the directors who compose them, specifying the terms for the prior sending of information and the means of protecting the confidentiality of the data and information provided, so as not to prejudice the timeliness and completeness of information flows. These rules also define the roles and responsibilities of the Board of Directors and Board Committees with regard to sustainability, including Banca Generali's material impacts, risks and opportunities.

If one or more members of the Board Committees should leave office for whatever reason, the Board of Directors shall replace them selecting the members from among its own members who meet the requirements for the office in the relevant Board Committee.

The following table shows the composition of the Board Committees of Banca Generali S.p.A. at 31 December 2025. It should be noted that the Internal Audit and Risk Committee, with the exception of its Chairperson, is made up of the Chairpersons of the other Board Committees

	INTERNAL AUDIT AND RISK COMMITTEE	REMUNERATION COMMITTEE	NOMINATION AND GOVERNANCE COMMITTEE	SUSTAINABILITY AND INNOVATION COMMITTEE	CREDIT COMMITTEE
Lorenzo Caprio	C	X	-	-	X
Paolo Ciocca	X	-	C	X	-
Roberta Cocco	X	X	-	C	-
Alfredo Maria De Falco	X	-	-	-	C
Anna Simioni	X	C	X	-	-
Cristina Zunino	-	-	X	X	X

C: Chairperson;
X: member.

Criteria for selecting and appointing the members of the Board of Directors

The appointment of the members of the Board of Directors reflects first and foremost the interests and choices of Banca Generali S.p.A.'s shareholders, who, as previously mentioned, are entitled to present lists of candidates.

In order to serve in their role, the members of Banca Generali S.p.A.'s Board of Directors must possess the requisites provided for in the legislation in force. In particular, in compliance with the provisions of currently applicable legislation³⁷, as transposed into the Fit & Proper Policy adopted by Banca Generali S.p.A., those who hold positions in administrative and supervisory bodies within Banca Generali S.p.A. must meet the following requirements and eligibility criteria:

integrity	propriety	professionalism
expertise	independence	independence of mind
limit on the number of concurrent positions held	appropriateness of the body's composition	interlocking ban ³⁸

In addition, upon approval of the Financial Statements for the year ended 31 December 2023, the outgoing Board of Directors, with the advisory support of the Nomination, Governance and Sustainability Committee, had defined *ex ante* the optimal qualitative and quantitative composition of the Board of Directors (hereinafter, the "Qualitative and Quantitative Composition of the BoD").

On 9 May 2024, the newly appointed Board of Directors verified and confirmed that all the Directors met the respective requirements and fulfilled the criteria provided for by the applicable legislation and complied with the optimal qualitative-quantitative composition previously approved on 22 February 2024 by the outgoing administrative body, whose term expired with the Shareholders' Meeting called to approve the Financial Statements for the year ended 31 December 2023.

The principles relating to competencies and training, as well as the professional profile of the members of the corporate bodies, are also regulated by the "Diversity Policy for the Members of the Company Bodies" in force from time to time (hereinafter, the "**Diversity Policy**"). In fact, Banca Generali S.p.A. has always placed great emphasis on diversity and inclusion, and this in addition to the obligations imposed by primary legislation. In this regard, it bears recalling that its Board of Directors includes four members of the less represented gender (share exceeding the regulatory threshold applicable for the year in which the company bodies in office were renewed).

³⁷ Article 26 of Italian Legislative Decree No. 385 of 1 September 1993 (hereinafter "TUB") and the Decree of the Italian Minister of Economy and Finance No. 169 of 23 November 2020 (hereinafter the "MEF Decree"), in addition to the provisions of the Italian Civil Code, Italian Legislative Decree No. 58 of 24 February 1998 (hereinafter "TUF"), Bank of Italy Circular No. 285 of 17 December 2013, the Corporate Governance Code and Italian Legislative Law-Decree No. 201 of 6 December 2011 concerning "Urgent provisions for growth, equity and the consolidation of the public accounts", converted, with amendments, by Law No. 214 of 22 December 2011 (hereinafter the "Save Italy Decree").

³⁸ It means the ban on assuming or exercising offices between competing companies or groups of companies operating in the credit, insurance or financial markets (Article 36 of the Save Italy Decree).

Within this context, in line with the Diversity Policy and in order to ensure adequate balance of the Diversity, Equity & Inclusion aspects, Banca Generali:

- › ensures proper turnover of Board members;
- › recommends that shareholders take into consideration candidates belonging to different age ranges and that they consider the candidature of a suitable number of directors who are already serving to ensure continuity of Board of Directors and Board Committee operations;
- › establishes that — where a different rate is not provided for by the law — at least a third of directors must belong to the less represented gender;
- › guarantees that the less represented gender will have access to the Board of Directors, establishing that the lists including more than two candidates must contain a sufficient number of candidates to ensure an adequate gender balance.

In addition to ensuring a suitably diversified composition of the corporate bodies, this approach, *inter alia*:

- › fosters dialogue and debate within the bodies;
- › facilitates the emergence of various approaches and perspectives in analysing issues and in taking decisions;
- › effectively supports company processes for formulating strategies, managing activities and risks, and monitoring the actions of top managers;
- › takes account of the diverse interests that contribute to the Bank's sound and prudent management.

In line with Banca Generali S.p.A.'s integrated approach to sustainability, and in accordance with the Board of Directors' rationale in establishing its Board Committees, particular attention was paid to the identification of the sustainability-related profiles and principles across the areas within the purview of all Board Committees, so as to enable a more in-depth analysis and integration thereof into all discussions to the extent relevant to the each Committee.

ESRS 2
GOV-2

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

On a routinely basis, the Board of Directors and Board Committees of Banca Generali S.p.A. receive periodic updates on sustainability matters through different reporting tools, which include detailed analyses and performance indicators linked to impacts, risks and opportunities.

In line with the Bank of Italy's Supervisory expectations for climate-related and environmental risks, in 2024 the Board of Directors approved the *Rules on information flows to Corporate Bodies*, defining the frequency, procedures, content and owners for the main ESG reporting tools, including the **Sustainability Dashboard** and the **Climate Risk Assessment**.

The **Sustainability Dashboard** allows the Managing Committee, the Sustainability and Innovation Committee and the Board of Directors to monitor, on a half-yearly basis, the ESG KPIs relating to Banca Generali Group's material sustainability matters. The **Climate Risk Assessment** provides for the annual presentation to the Board of Directors of the outcome of the assessment of the financial materiality of climate-related and environmental risks ("heatmap") and their potential impact on the Bank's traditional risks.

In addition to these tools, the **Tableau de Bord**, presented quarterly by the Chief Risk Officer, provides an overview of the ESG indicators relevant to the organisation's sustainable success, in line with the Banking Group's strategic objectives. The Tableau de Bord is submitted to the Board of Directors, the Internal Audit and Risk Committee and the Board of Statutory Auditors.

Moreover, the **Double Materiality Analysis** is reviewed annually and updated in line with the evolution of the Banking Group's corporate strategy. It can also be modified following significant context changes, in which case it shall be submitted for approval to the Board of Directors, after reporting thereof to the Managing Committee and the Sustainability and Innovation Committee.

In 2025, the Board of Directors and/or the committees — each for the matters falling under its remit — received regular reports and, where required, were called on to resolve on sustainability matters. The areas subject to disclosure included in particular the Transition Plan, the approach to sustainable finance, the updating of the Sustainability Dashboard with the introduction of new KPIs on individual material impacts, risks and opportunities, the remuneration policies and their

ESG targets, the monitoring of the Action Plan on climate-related and environmental risks, and the updating of the Double Materiality Analysis. Where applicable, a peer analysis was always submitted to the corporate bodies, so as to enable a better strategic assessment.

It should be highlighted that, **in defining and managing the corporate strategy**, the administrative, management and supervisory bodies take into account **sustainability matters**. In detail, the Board of Directors of Banca Generali S.p.A. sets the general management guidelines and defines the corporate strategies with a view to **sustainable development**. This includes, *inter alia*, sustainable finance objectives, the integration of environmental, social and governance aspects into corporate processes and the management of legal and reputational risks. To this end, the Board of Directors is supported by the Sustainability and Innovation Committee in integrating sustainability into the definition of corporate strategies, with particular attention to the analysis of **material topics** for the creation of long-term value for the Company and the Banking Group.

SUSTAINABILITY MATTERS ON THE 2025 AGENDA	BOARD OF DIRECTORS	SUSTAINABILITY AND INNOVATION COMMITTEE	INTERNAL AUDIT AND RISK COMMITTEE	REMUNERATION COMMITTEE
Strategy	X	X	X	
Policies	X	X		X
ESG risk	X		X	
DEI	X	X		
Monitoring	X	X	X	
Remuneration	X			X

At Banca Generali, **sustainability involves all the Board Committees**. The table highlights the Board Committees that were most involved in sustainability matters in the reporting year. It should also be noted that in 2025 the Credit Committee carried out preliminary activities for updating the ESG section of the Credit Rules.

Integration of sustainability-related performance in incentive schemes

E 1
GOV-3

ESRS 2
GOV-3

Sustainability is integrated in the remuneration and incentive strategy of the Banking Group, consistently with its vision, values and governance, and requires a remuneration policy that is in line with the market's best practices and regulatory requirements, and transposed in each Subsidiary taking into account its type of business and the local regulations.

In this regard, one of the objectives of the 2025 Remuneration and Incentive Policy³⁹ is to ensure **sustainable pay for sustainable performance**, maintaining consistency between remuneration and performance and between compensation and creation of stakeholder value, while also valuing both actual results and the way in which such results were achieved. To this end, the Bank has adopted short- and long-term incentive systems based on performance management, and a remuneration structure based on risk-adjusted performance, which at the same time does not encourage excessive risk-taking, including with regard to sustainability risks.

The Balanced Scorecard of the Chief Executive Officer includes both quantitative and qualitative financial and non-financial objectives for short-term variable remuneration. In particular, these include:

- › quantitative objectives linked to the Bank's strategic pillars and business objectives;
- › qualitative objectives linked to the strategy (relating to project initiatives associated with implementation of the Banking Group's strategy) and the development and enhancement of Human Capital, as well as to sustainability initiatives.

³⁹ For further information on remuneration policies, see the Report on Remuneration Policy and Compensations Paid and Section "Remuneration and Incentive Schemes" (S1-1: Policies related to own workforce, Own workforce – Enhancement of Human Capital).

In particular, the ESG objectives reported below account for 20% of the overall Balanced Scorecard of the Chief Executive Officer/General Manager:

PEOPLE VALUE

An objective set each year in view of personal development in line with the Group's strategy: recognition and enhancement of diversity, favouring inclusion, showcasing the individual contribution and the success of the organisation, while also discouraging conduct that leads to excessive exposure to risk.

As regards 2025, the following People Strategy initiatives may be included in this objective:

- upskilling and reskilling training initiatives with focus on digital skills (AI, generative AI) and technical skills (at least 70% of employees⁴⁰ attending a training programme);
- Diversity, Equity & Inclusion (DEI) supporting initiatives, mainly focused on confirming the UNI/PdR 125:2022 certification, in line with the priorities set in the related strategic plan;
- development and retention initiatives dedicated to key people;
- initiatives dedicated to People Managers with a view to strengthening managerial skills and supporting team management more effectively.

The objective may include a specific reference to individual initiatives involving:

- effective management of the structures coordinated;
- collaboration with other corporate functions.

SUSTAINABILITY COMMITMENT

An objective set annually in line with the strategic priorities, which includes a series of diversified sustainability initiatives, correlated directly and indirectly with all ESG (environmental, social and governance) components, precisely identified in the individual scorecards.

As regards 2025, the objective may include initiatives related to three different pillars:

- **Environmental (E)**: ensuring that sustainable investments within managed solutions are in line with the objectives of the 2022-2024 Strategic Plan; extending engagement activities to investment products and services pursuant to Article 6 of the SFDR managed by Banca Generali Group; defining the model for *ex-ante* monitoring of CO₂ emissions of managed portfolios;
- **Social (S)**: engaging at least 70% of the company population in specialised ESG training initiatives; aiming at recruiting at least 50% under-35s; providing at least 8,800 training hours to Sustainable Advisors;
- **Governance (G)**: drafting of the first Communication on Progress (CoP) required by the UN Global Compact; Gap Analysis of Intermonte Partners SIM S.p.A.'s ESG internal regulatory framework and Action Plan with a view to corporate integration.

With reference to climate change, objectives set for 2025 were included in the Environmental pillar. These objectives focus on ESG AUM of managed solutions, on strengthening the engagement activities for the products manufactured by Banca Generali Group — with particular attention to climate change — and on defining a data model for monitoring investment GHG emissions.

The BSC of the Chief Executive Officer/General Manager is structured as follows:

PERSPECTIVE	KPI	WEIGHT	ASSESSMENT	TARGET REFERENCE ^(*)
Risk-Adjusted Economic and Financial Performance	Commercial objectives	10%	Financial	100% budget
	Recurring Net Profit	25%		100% budget
	Structural costs	10%		100% budget
	Return on Risk Adjusted Capital (RoRAC)	15%		100% budget
People Value		10%	Non-financial, qualitative/quantitative assessment based on specific KPIs	
Sustainability commitment		10%		
Efficiency & Business Transformation		20%		

(*) Two additional performance levels may be applied (under-performance and over-performance).

At the end of the annual performance period, the Board of Directors assesses the level of achievement of the Banking Group access gates.

Once it has been determined that the access gates have been reached, it is then assessed whether the Balance Scorecard objectives have been achieved.

The Long-Term Incentive Plan states that the number of shares actually assigned at the end of the performance period is directly correlated with the achievement of the Banking Group objectives. The following objectives have been identified⁴¹:

› tROE⁴²;

⁴⁰ Excluding structures of the Credit Committee, front-office employees (branches and subsidiaries) and long absences.

⁴¹ Ratios are calculated net of the extraordinary transactions, neutralising all one-off revenues and costs linked to such transactions in the year in which they are performed. Targets are stated net of the one-off component of the contributions to bank rescue funds (FITD/BRRD) and do not include any extraordinary impacts (of a tax nature or otherwise).

⁴² Indicator of the ratio of net profit to adjusted net equity.

- › Adjusted EVA⁴³;
- › sustainability indicator consisting of: (i) carbon footprint reduction target for investments in corporate issuers within the scope of own investments, discretionary mandates and BG Fund Management Luxembourg, measured in tCO₂/million euros, in compliance with the prospective net zero objective, (ii) training hour target: enhancement of Human Capital with a focus on skills development, also through upskilling and reskilling, through the provision of dedicated training hours; and (iii) average rating, which measures the average of at least two Banca Generali's ESG ratings based on a scale of 5 merit classes.

The performance level is stated as a percentage in terms of achievement of objectives, determined with regard to independent baskets, relating to adjusted EVA, tROE and the sustainability indicator, respectively. The final results of the baskets are calculated using the linear interpolation method. The maximum performance level is 100% overall for the Chief Executive Officer.

In each year of the Plan, at the end of the three-year performance period, and in any event at the end of the further deferral period, the Board of Directors assesses the level of achievement of the Banking Group access gates.

Once it has been determined that the access gates have been reached, it is then assessed whether the objectives of the Banking Group have been achieved.

Banca Generali Group (100%)

LTI VESTING	40%		40%		20%				
	tROE	+	ADJUSTED EVA	+	SUSTAINABILITY INDEX				
					CARBON FOOTPRINT REDUCTION TARGET FOR INVESTMENTS (10%)	+	TRAINING TARGET (5%)	+	ESG RATING AVERAGE (5%)
0%	< 27%		< 190 m€		< -48%		< 135,000		< 3.7
Target vesting	30%		200 m€		-50%		150,000		4
Maximum vesting	≥ 33%		≥ 210 m€		≥ 52%		≥ 165,000		≥ 4.3

Values of reference: final calculation based on linear interpolation in line with the method used in the previous year. Target weights may be modulated to assign a greater weight to ESG objectives for certain functions identified by the applicable legislation.

The incentive schemes are revised annually as part of the broader revision of the Report on Remuneration Policy and Compensations Paid.

To strengthen the link between remuneration, performance and sustainability, Banca Generali S.p.A.'s Board of Directors avails of the support from the Remuneration Committee and the Sustainability and Innovation Committee.

The Banking Group's Remuneration Policy is approved on an annual basis by the General Shareholders' Meeting. In its capacity as the body with a strategic oversight function, the Board of Directors drafts, resolves upon and submits the Banking Group's Remuneration and Incentive Policy to the Shareholders' Meeting and reviews it at least annually, in addition to being responsible for its proper implementation. Banca Generali has set up a **Remuneration Committee** within the Board of Directors. This Committee is tasked with assisting the Board of Directors in laying down corporate policies in respect of the determination of the remuneration of the Company's Key Personnel holding the highest offices and those responsible for control functions.

It should be noted that sustainability-related objectives are not taken directly into account as regards the performance of the Board of Directors and the Board of Statutory Auditors, as their members are not entitled to any variable remuneration linked to the achievement of objectives, but are instead entitled to annual fixed remuneration plus an attendance fee.

⁴³ Indicator that expresses the creation of value through the adjustment of Recurring Net Profit of the cost of capital element.

**ESRS 2
GOV-4**

Statement on due diligence

In its Sustainability Policy, Banca Generali Group has formalised the Sustainability Framework aimed at identifying, assessing and managing the impacts, risks and opportunities associated with ESG factors, while also highlighting the related supporting elements, including the governance model, internal normative documents and the risk framework, remuneration, monitoring and reporting. In detail, the ESG due diligence activities carried out for the purpose of this Sustainability Statement are illustrated in the following table:

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	• ESRS 2 – GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies • ESRS 2 – GOV-3: Integration of sustainability-related performance in incentive schemes • ESRS 2 – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	• ESRS 2 – GOV-1: The role of the administrative, management and supervisory bodies • ESRS 2 – GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies • ESRS 2 – SBM-2: Interests and views of stakeholders • ESRS 2 – IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities
c) Identifying and assessing negative impacts	• ESRS 2 – IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities • ESRS 2 – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model • E1 – IRO 1: Description of the processes to identify and assess material impacts, risks and opportunities • E1 – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model • S1 – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model • S4 – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model • S – Entity-Specific – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model • G1 – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking action to address negative impacts	Paragraphs referring to actions related to individual IROs, for each topic (E1, S1, S4, G1 and S – Entity-Specific)
e) Tracking the effectiveness of efforts and communicating	Paragraphs dedicated to actions and objectives, for each topic (E1, S1, S4, G1 and S – Entity-Specific)

**ESRS 2
GOV-5**

Risk management and internal controls over sustainability reporting

In order to regulate and ensure a more robust non-financial reporting process, from 2019 to 2023, the Parent Company, Banca Generali S.p.A., in line with the existing financial reporting procedures (pursuant to Italian Law No. 262/2005), managed the quantitative data disclosed by monitoring the activities carried out by the involved structures. Specific organisational procedures were introduced, entailing several data control points. The checks were executed in a non-independent manner and consisted in obtaining evidence of the check performed by the structure identified as the data owner.

Since September 2024, following the transposition of the CSRD into the Italian law through Legislative Decree No. 125, which assigns specific responsibilities to the Manager in Charge of preparing the Company's financial reports, Banca Generali S.p.A. also initiated a data quality process for the purposes of the Sustainability Statement. It launched a project to integrate existing organisational procedures with the aim of improving the formalisation and flows of the data managed through such procedures. The project primarily aims to incorporate the necessary updates arising from the implementation of regulatory principles. To this end, Banca Generali's Presidio 262 shares the Insurance Parent Company's control framework to be developed.

The quantitative data published in the Annual Integrated Report are obtained through a specific organisational procedure that has been included in the Risk Control Matrix — the official monitoring tool of the Manager in Charge of preparing the Company's financial reports.

The organisational procedures concerning matters common to the Banking and Insurance Group's reporting were integrated to efficiently address the dual need of monitoring and optimising man-

agement to ensure data quality. This integration follows the end-to-end principle regarding data queries from the source.

An independent third party conducted a test to verify the control design, the actual application of such controls and the operational alignment with the process data flow described in the organisational procedure. The results are formalised in the dedicated application.

In general, the risk assessment approach focuses on ensuring data quality, using the traditional methodology applied by the Manager in Charge of preparing the Company's financial reports. The objective is to determine whether the data production and reporting process is comprehensive, with a focus on the presence of the necessary data control points for which the structures are responsible.

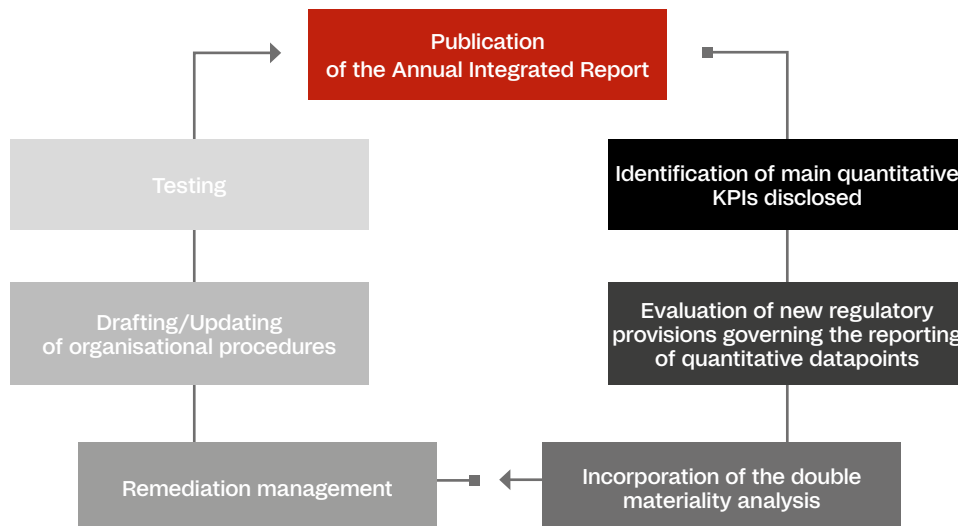
Sustainability Reporting Risks (SRR) are particularly significant as they are managed in the same way as Financial Reporting Risks (FRR), and the organisational procedures are included in the process tree at the Financial Statements level.

Periodically, at least once a year, upon publication of the Annual Integrated Report, the Manager in Charge of preparing the Company's financial reports, with the support of Presidio 262, reports to the Board of Statutory Auditors on the progress of activities and controls, including with regard to the Sustainability Statement. This process aims at ensuring a transparent, robust integrated reporting and drawing the attention of the competent control structures to any gaps that need to be monitored.

In 2026, all non-financial organisational procedures will be revised to incorporate any new regulatory provisions.

Each year, following the double materiality analysis, the scope of reporting — and hence the scope of testing, where timing permits — is updated.

The flow of updating and mapping activities with regard to non-financial organisational procedures is reported here below:



Strategy, business model and value chain

ESRS 2
SBM-1

Strategy and business model

Banca Generali stands out within the Italian finance industry for the central role of the **investment services** — and in particular **financial advisory and wealth management services** — it offers to **HNW, Private** and **Affluent** customers — nearly all based in Italy — through its BG Network, which reached nearly **373,000 Customers** and **113.5 billion euro AUM** at the end of 2025.

The Banca Generali Banking Group's evolution has led to a significant growth in both the Italian and Swiss markets, optimising the Bank's positioning in the **private banking and wealth management** market segments, and marked the beginning of operations in an **increasingly international** context, strengthening its global footprint and its ability to meet Customer needs. In addition, with the acquisition of Intermonte, Banca Generali has **strengthened its position in the sector of financial advisory and services to enterprises**.

The Banca Generali model is characterised by a **holistic advisory service**, aimed at supporting Customers in the management and **protection of their** overall **wealth**. In this context, utmost importance is attached to transparency and the accuracy of the information provided to customers regarding the different characteristics of the services and products offered.

In detail, Banca Generali offers:

- › **banking services**: a range of current and deposit accounts and other bespoke banking and payment services that make doing day-to-day activities simple and efficient, thanks to a range of innovative features that ensure the utmost security in online and mobile banking;
- › **assets under administration**: custody and administration services for the financial instruments that make up its Customers' portfolios, providing advice on the purchase and sale of said instruments on the primary and secondary markets. As part of its products and services related to assets under administration, Banca Generali also offers its Customers the possibility to invest in. It also promotes and distributes the investment and ancillary services of BG Saxo SIM S.p.A., a joint venture between Banca Generali and Saxo Bank S.A.;
- › **asset management**: a wide range of mutual investment funds, as part of an open architecture that benefits from expert selection of the best strategies that thousands of national and international asset managers have to offer. This range is rounded out by in-house products (Luxembourg-based Sicavs) and portfolio management solutions. The latter allow to build bespoke solutions to suit customers' different needs;
- › **insurance investments**: Banca Generali relies on the synergies and expertise offered by Generali Group, complemented by its own experience and innovation-oriented approach as regards the distribution of insurance products. Furthermore, in this context, Banca Generali offers its asset management skills for managing the investment component of insurance solutions;
- › **wealth advisory services**: a range of solutions covering all the assets making up Customers' wealth, offered directly or in partnership with specialised operators and based on a preliminary analysis by the HQ structure that supports the Financial Advisor and the Customer, ensuring constant monitoring. These services include: Corporate Advisory, which supports companies' growth and extraordinary finance transactions; Real Estate Advisory, focused on the valuation and management of real estate; Art & Passion Advisory, dedicated to works of art and collectibles; and Family Protection & Planning, which provides advice on wealth protection, transfer and generational continuity for family and business assets.

This offer is managed and proposed to Customers also thanks to:

- › **partnerships**: in order to increase the quality of the services offered to its Customers, Banca Generali enters into partnership agreements with selected Italian and international operators, choosing top financial partners with the highest standing in economic-financial, reputational and expertise terms;
- › **Group companies**: in order to offer its customers the best solutions in some specific segments, Banca Generali relies on the synergies with the other Banking Group companies. These companies include: **BG Fund Management Luxembourg S.A.**, Luxembourg-based management company specialised in-house funds; **Generfid S.p.A.**, which offers fiduciary services; **BG (Suisse) Private Bank S.A.**, a Swiss bank that, after having obtained the licence to operate under the freedom to provide services in Italy, in 2024 launched a collaboration project with Banca Generali; **BG Aequitum (a subsidiary of the Swiss bank)**, a financial advisory and wealth management boutique based in Switzerland that at the end of 2025 extended Banca Generali's solutions with additional wealth management and advanced advisory expertise for private customers, households and institutional investors. Intermonte: a leading independent broker with a leadership position in the Italian market that stands out for its quality in its areas of activity — Negotiation & Trading, Global Markets, Investment Banking, Digital Division & Advisory and Research — which are complementary and synergistic to Banca Generali's activity and its private banking positioning, in particular with reference to entrepreneurs and small and medium-sized enterprises (SMEs).

Sustainability integrated in the corporate and business model

Banca Generali Group defines sustainability as the ability to create value in the long term, taking care of the environment and stakeholders along with pursuing financial performance.

Within this context, the Sustainability Framework defined in the Banking Group's Sustainability Policy is fully incorporated in the corporate and business model and, in accordance with the Sustainability Ambition, identifies the key elements (so-called “enablers”) required to enable the integration of sustainability into all Banking Group activities such as governance, internal normative documents, the risk framework, remuneration and incentives, monitoring and reporting. This Policy also lays down both the principles for integrating sustainability into Operating Activities (Sustainable Corporate) — identifying combating climate change, protection of human rights, DEI promotion, fight against corruption and data protection as material topics — and the approach adopted to embed ESG factors into the business (Sustainable Business).

The commitment towards sustainability has also been formalised by signing the main UN international initiatives — from UN Principles for Responsible Investment in 2022 to UN Global Compact in 2024 — and through the conferment of Gender Equality Certification in line with the principles of the UNI/PdR 125:2022 guidelines, confirmed also in 2025, thus testifying to a responsible approach fully aligned with global standards.

In parallel, Banca Generali has also strengthened the constant dialogue with its key stakeholders by participating in international working groups and initiatives, such as the Italian Banking Association (ABI) and “Forum per la Finanza Sostenibile” (Italian Sustainable Investment Forum), in addition to providing non-financial disclosure — including the Group's first Active Ownership Report in 2025 — and expanding, as of 2024, the climate-related disclosure contained in its Annual Integrated Report, in compliance with the ESRS requirements and the TCFD recommendations, so as to ensure that its ESG performance is increasingly transparent and comparable.

Sustainable finance

Banca Generali Group has set principles and criteria to embed ESG factors in all its core business activities (sustainable business), including proprietary portfolio management, the provision of individual portfolio management, investment advice and research, collective asset management services and the lending process, as formalised in the Sustainability Policy. In particular, the Group has defined exclusion criteria applicable to investments in companies involved in certain controversial activities, such as coal, tobacco, unconventional gas extraction and controversial weapons, or involved in serious controversies in breach of the UN Global Compact principles. Accordingly, lending activities are subject to ESG due diligence with the objective of identifying and managing any sustainability risks arising during the credit granting stage.

In addition, the Banking Group has implemented an active ownership approach to investments that informs the framework for engagement strategies and the exercise of voting rights, thereby contributing to mitigating ESG risks. The Group has also extended this approach to all products manufactured by the Group pursuant to both Article 6 and Articles 8 and 9.

Within this context, while maintaining its focus on the satisfaction of Customers' needs and preferences and on improving the **value of its service**, Banca Generali Group continued to promote its financial and non-financial ESG products and services. In particular:

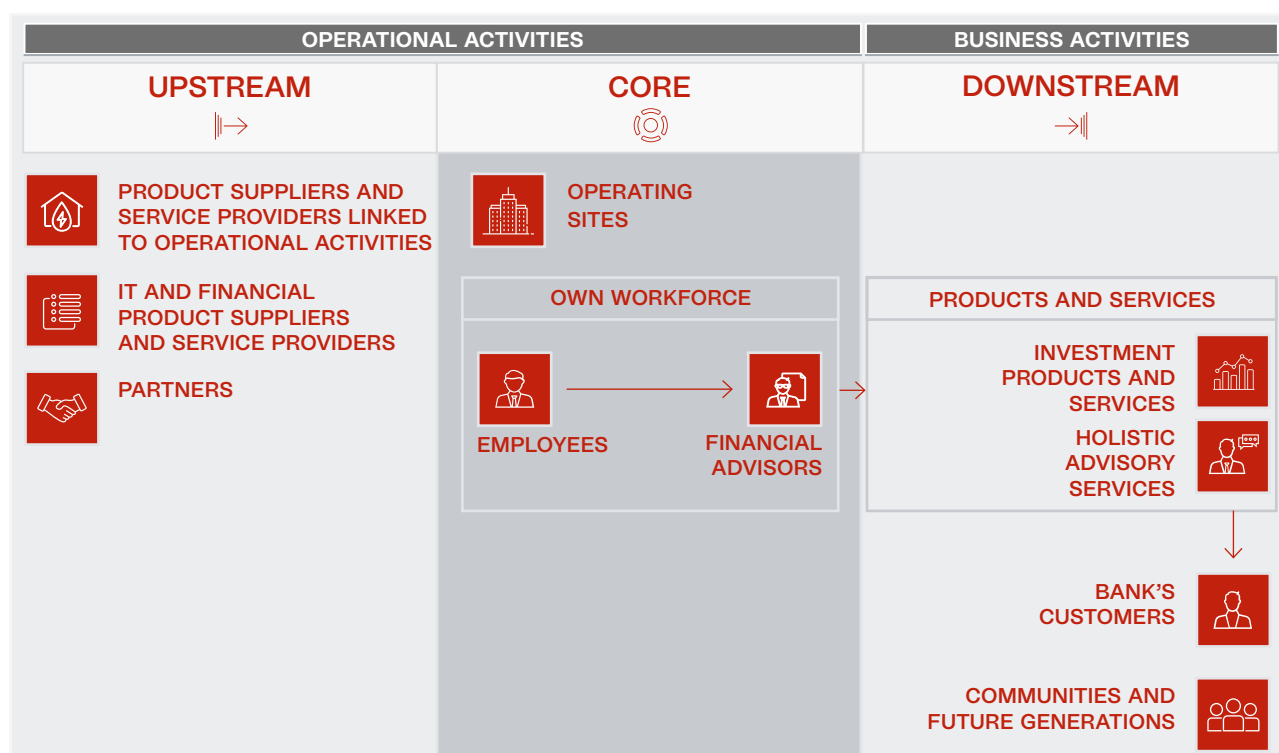
- › **Asset management and insurance products:** Banca Generali distributes both in-house and third-party ESG investment products and services. With particular reference to asset management, the 2025 catalogue included 7 portfolio management lines pursuant to Article 8 of Banca Generali S.p.A. and 61 Sicavs pursuant to Articles 8 and 9 of the asset management company BG Fund Management Luxembourg S.A. As regards insurance products, the placement of BG Oltre, the single-premium hybrid insurance policy pursuant to Article 8 that invests in long-term trends relating to sustainability, continued, along with the ESG Sicavs offered within the investible universe of unit-linked policies;
- › **Assets under administration:** Banca Generali acts as a placement agent for third-party bonds, including sustainable bonds;
- › **Lending:** in 2025, a lending product was also developed for Banca Generali employees aimed at purchasing electric/hybrid cars;
- › **Non-financial services:** activities continued — also through partnerships with dedicated advisors — to support Customers (natural persons and legal entities) in enhancing their sustainability paths across all of the assets making up their wealth (Corporate, Real Estate, Art & Passion, Investment and Family Protection & Planning).

The value chain

The structure of Banca Generali Group's Value Chain aims at **maximising operational efficiency, promoting ongoing innovation and offering a wide range of high-quality services to its Customers**, fully in line with its mission and vision statements: a model based on solid partnerships, a highly qualified workforce and a strong commitment towards communities and future generations, which support the goal of being a trusted partner for its Customers, while also promoting sustainability and innovation.

The Value Chain consists of two main parts: **Operational Activities**, which include external stakeholders in the upstream value chain (Upstream) and stakeholders within the undertaking (Core), and **Business (Downstream)**, including all stakeholders in the downstream value chain. Specifically:

- › **Operating Activities** consist of:
 - **Upstream Operational Activities:** all the resources and activities instrumental to developing the Bank's services, such as relationships with suppliers of operational and strategic goods and services, as well as partnerships supporting financial and non-financial solutions;
 - **Core Operational Activities:** all the activities performed internally, in particular for managing and developing Own Workforce, which comprises Employees and Financial Advisors.
- › **Business Activities** consist of all activities concerning the end-customer, including investments made by the Bank on its own account and on behalf of its customers, holistic advisory services offered by Financial Advisors, relations with customers and the communities, without neglecting future generations.



With **2,405** professionals ranked at the top of the industry for expertise and professionalism, the BG Network includes different types of Financial Advisors (**Senior Partners, Private & Wealth, Financial Planning Agents** (FPAs) and 59 **Relationship Managers**) so as to better meet customers' needs. The model adopted is therefore **strongly centred on Financial Advisors** and is based on the relationship of trust between them and the customers, enriched by the provision of products, services and supporting models. The Bank's **1,313 employees**, who together with the Financial Advisors make up its **Own Workforce**, contribute to creating this relationship of trust.

Interests and views of stakeholders

ESRS 2 SBM-2	S 1 SBM-2	S 4 SBM-2

Banca Generali liaises and dialogues with numerous stakeholders, diverse in terms of type and requirements expressed. The Bank recognises as stakeholders all those parties (institutions, organisations, groups or individuals) that can influence or be influenced by its activities, acknowledging and assessing their various needs and requests, also when not fully converging, with a view to pursuing sustainable success.

In accordance with the guidelines defined by the AccountAbility 1000 (AA1000) standard, the Bank's stakeholder prioritisation is carried out taking into consideration the following criteria:

- › **Responsibility:** parties to whom Banca Generali Group has (legal, financial, operational, etc.) responsibilities formalised in contracts, company policies, laws, etc.;
- › **Influence:** parties who, in the current or future context, may influence the Bank's decision-making processes;
- › **Proximity:** parties with whom Banca Generali has established lasting relationships, and parties on which the organisation depends to ensure its day-to-day operations;
- › **Representation:** parties who, for legal/cultural/other reasons, play a representative role for the benefit of other individuals;
- › **Strategy:** parties with whom Banca Generali Group establishes relationships by virtue of the pursuance of its policies or strategic choices.

In keeping with previous years' analyses and in application of the criteria defined above, Banca Generali Group recognises as its main stakeholders both internal and external parties. These include:

- › Banca Generali Group Employees;
- › the BG Network;
- › National, international and financial-sector institutions (including businesses, professional associations and the third sector);
- › Shareholders;
- › Supervisory authorities and rating agencies;
- › Customers;
- › Suppliers;
- › Financial and non-financial strategic partners;
- › Communities.

The goals of "active engagement" are the following:

- › identifying the needs and expectations of stakeholders of priority interest in the medium to long term to support strategic planning;
- › anticipating risks of a different nature (operational, reputational, etc.);
- › monitoring the level of satisfaction and checking the extent to which the different stakeholder categories have a positive perception of their relationship with the Bank;
- › seizing new opportunities through the joint identification of solutions capable of creating shared value for the Group and its stakeholders;
- › collecting stakeholders' feedback on an ongoing basis to support the update of the Double Materiality Analysis.

To this end, throughout the year, Banca Generali Group carries out the active engagement activities described below, divided by stakeholder category:

BANCA GENERALI GROUP EMPLOYEES

- Periodic engagement surveys, following the action plan
- Digital communication tools
- Roundtables with unions and workers' representatives
- Annual meetings with all employees
- Special meetings with top managers
- Focus groups (e.g., AI Ambassadors, people strategy definition)
- Focus groups on ESG matters

FINANCIAL ADVISORS

- Focus groups on ESG matters: Sustainable Advisors, women, young people
- Monthly meetings between the first management line and Banca Generali's management and regular meetings between the Bank's top managers and the second management line
- Digital communication tools
- Dedicated conventions with feedback opportunities
- Survey on the level of satisfaction

CUSTOMERS

- Surveys on the level of satisfaction
- Market researches
- Dialogue with consumer associations
- Communications channels devoted to Customers
- Dedicated newsletters (e.g., *The State of The Art*)
- Dedicated events
- Social media

COMMUNITIES

- Partnerships with universities and research centres aimed at developing Observatories on strategic topics
- Website, blog and social media
- Organisation of DEI events, financial education, cultural and sports projects
- Social activities in favour of communities (e.g., The Human Safety Net)

NATIONAL, INTERNATIONAL AND FINANCIAL SECTOR INSTITUTIONS

- Financial education meetings
- Press conferences
- Meetings with institutions and participation in roundtables with professional associations

FINANCIAL AND NON-FINANCIAL STRATEGIC PARTNERS

- Engagement with specific focus
- Working groups on common projects
- Local meeting with the BG Network

SUPERVISORY AUTHORITIES AND RATING AGENCIES

- Meetings and interviews with analysts, investors and rating agencies
- Relationships with supervisory authorities

SUPPLIERS

- Working groups on common projects

SHAREHOLDERS

- General Shareholders' Meeting
- Quarterly reports
- Conference calls and/or meetings with institutional investors
- Capital Market Days
- International roadshows
- Digital communication tools
- Participation in Sustainability Week
- Regular meetings with the majority shareholder

Given the importance of stakeholders for Banca Generali, the Bank constantly takes into account the results of the active engagement activities in defining its strategy. Moreover, the Bank regularly collects its employees' opinions through surveys, whose results are shared and analysed with top managers.

Banca Generali focuses on the interests of the different stakeholders and promotes a transparent communication, in particular towards administrative, management and supervisory bodies, by preparing detailed reports and regularly reporting on sustainability matters. In addition to ensuring that stakeholders' opinions are listened to and duly considered, this approach also promotes a culture of responsibility and collaboration within the organisation. Specific activities for exchanging information are provided for in the event of discussions with and/or requests from shareholders and authorities, as defined in detail in the Policy for Managing Engagement with All Shareholders, published on the Bank's corporate website.

Moreover, in early 2026 Banca Generali launched a project aimed at formalising the approach adopted towards relevant stakeholders other than shareholders and the related governance, in line with market best practices.

Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS 2
SBM-3

In 2025, Banca Generali Group updated its **Double Materiality Analysis** on all the corporate activities throughout its value chain to identify both the **impacts** on people and the environment (inside-out approach) and the **financial materiality of ESG factors** (outside-in approach).

The results of the analysis confirmed the **9 material topics** that had already been identified in the previous year — 2 environmental, 4 social and 3 governance sub-topics —, while highlighting **two new opportunities** within the Enhancement of Human Capital, already considered as material.

The material IROs (Impacts, Risks and Opportunities) identified with respect to each topic are illustrated in the three environmental, social and governance disclosures reported in the following pages. In general terms, the IROs relating to social matters and to good governance refer mainly to the Core Operational Activities within Banca Generali Group's business model, whereas the IROs related to climate change, wealth protection and value of service are inherent in the Banking Group's Business activities.

IROs are mapped in the following table.

IMPACTS THROUGHOUT THE VALUE CHAIN

		ASSESSMENT	TIME HORIZON		
TOPIC SUB-TOPIC	IMPACTS, RISKS, AND OPPORTUNITIES	POSITIVE/NEGATIVE IMPACT, RISK/OPPORTUNITY	SHORT/MEDIUM/LONG TERM	VALUE-CHAIN PART (*)	
ESRS E1: CLIMATE CHANGE					
1	Climate change mitigation	Investments in companies operating in high climate impact sectors	⊖	■ ■ ■	Business Activities
2	Climate change adaptation				
ESRS S1: ENHANCEMENT OF HUMAN CAPITAL					
3	Working conditions	Attention to socio-economic conditions and to work-life balance of its own people	⊕ ☆	■ ■ ■	Operational Activities
4	Equal treatment and opportunities for all	Promotion of equal treatment and opportunities for all	⊕ ☆	■ ■ ■	Operational Activities
ESRS S4: QUALITY OF INFORMATION/CYBERSECURITY AND DATA PROTECTION					
5	Information for consumers/end-users	Potential poor quality of information provided to customers and offer not suitable to customers' ESG preferences	⚠	■ ■ ■	Business Activities
		Potential violation of data protection and data breaches that may impact reputation and market positioning	⚠ ⊖	■ ■ ■ ■	Operational Activities
ESRS S: WEALTH PROTECTION AND VALUE OF SERVICE					
6	Entity-specific	Attention to the quality of the service provided	⊕	■ ■ ■	Business Activities
		Protection of customers' wealth	⊕	■ ■ ■	
		Business opportunities in generational transition	☆	■ ■ ■	
ESRS G1: BUSINESS CONDUCT					
7	Corruption and bribery	Potential increase in incidents of corruption or bribery due to lack of specific policies and control measures	⊖	■ ■ ■	Operational Activities
		Potential non-compliance with regulations in force and unlawful conduct	⚠	■	
8	Corporate culture	Increased corporate transparency through adoption of good governance policies and a transparent corporate culture	⊕	■ ■ ■	Operational Activities
9	Protection of whistleblowers	Promotion of a healthy work environment through initiatives aimed at ensuring the confidentiality of whistleblowers' data	⊕	■ ■ ■	Operational Activities

(*) It is specified that Operational Activities refer to both Upstream and Core Activities.

Impact
 ⊕ positive ⊖ negative

Risks/Opportunities
 ☆ opportunity ⚠ risk

Time horizon
 ■ short-term ■ medium-term ■ long-term

In 2025, the Banking Group updated its financial materiality analysis on ESG risks. The analysis of financial effects, performed by assessing how ESG risk factors influence the prudential risk categories recommended by the Bank of Italy (credit risk, operational risk, reputational risk, liquidity risk and market risk), did not highlight any substantial changes nor significant financial impacts on the Bank's risk profile, thus confirming the previous year's results.

As a financial institution, Banca Generali Group is mainly exposed to regulatory compliance and personal data protection risks, with potential effects on reputation. These elements were taken into account in the financial materiality analysis and, in light of the control measures implemented, no significant financial impacts were identified in the reporting period.

Description of the processes to identify and assess material impacts, risks and opportunities

The **Double Materiality Analysis** is the process that identifies the material sustainability matters throughout the value chain, assessing both their positive and/or negative impacts and potential opportunities and/or financial risks, in compliance with the CSRD requirements and the related ESRS. Governance of the Double Materiality Analysis process is entrusted to the Banking Group Sustainability Department, in collaboration with the Risk Management structure, while the methods for performing it are governed by the Sustainability Policy, subject to the approval of the Board of Directors of Banca Generali S.p.A.

To this end, Banca Generali Group analysed the characteristics and composition of its value chain and carried out an analysis of the two parts that make it up: **Operational Activities, including both Upstream Activities (supply chain) and Core Activities (the Group's operating activities) and Downstream Business activities** (activities typical of the Group's business, with a specific focus on the investment portfolio, in relation to which the analysis aimed at highlighting the specific features of the Group's business, where a very significant part of the IROs arises from the products and services offered to customers).

In keeping with the analysis performed in the previous year, the updating process of the Double Materiality Analysis consisted of two main phases: a first **preliminary analysis** phase aimed at identifying the Impacts, Risks, and Opportunities, followed by a second phase devoted to their **assessment**. Following the extension of the Group's scope, these two phases were performed according to a double approach: on the one hand, an updating activity was carried out with respect to the scope already analysed in the previous reporting period; on the other hand, an additional analysis was carried out which focused exclusively on the impacts, risks and opportunities linked to the inclusion of the new subsidiary Intermonte⁴⁴.

1. Preliminary analysis to identify the IROs



This activity aims to identify potentially material sustainability matters starting from the reference context in which the Group operates, considering the aspects most frequently disclosed by Italian credit institutions, the sustainability regulations applicable and the mapping of the material topics identified in the Annual Integrated Report 2024.

ESRS 2 IRO-1	E 2 IRO-1	E 3 IRO-1
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⁴⁴ These assessments were further integrated in consideration of the regulatory attention towards financial institutions (e.g., Bank of Italy's expectations for climate-related and environmental risks, Fit for 55 reform package, EU Action Plan for Sustainable Finance and the European Accessibility Act).

With reference to **impact materiality**, in order to understand the Banking Group's peculiarities, both in terms of Operational and Business activities, and consequently the impacts connected to them, Banca Generali Group has deemed it necessary to adopt a double perspective:

- › an “**Operational Activities**” perspective (qualitative and quantitative analysis of Operational Activities), which aims to identify the impacts connected to the operations of the Banking Group and of its main product and service suppliers, also availing of trusted public sources such as internationally recognised reporting standards (GRI Standards, SASB, etc.);
- › a “**Business Activities**” perspective (quantitative analysis of the investment portfolio), which examines in detail the Banking Group's role as an asset manager/investor, with the aim of assessing the potential impacts connected to portfolio exposures. Specifically, the composition of the investment portfolio was analysed based on the issuers' business sectors, mapped according to the applicable NACE sector codes. The exposure to the various sectors to which the Group's portfolios are exposed was therefore associated with a series of ESG impacts.

With regard to **financial materiality**, the identification of risk drivers was carried out taking into account the ESG risk framework assessments, and the cross-referencing of such ESG risks with the related sub-topics. Opportunities were instead identified in compliance with the Banking Group's strategic projects, considered as areas for development and improvement able to generate economic, competitive or reputational benefits in the medium-to-long term.

For information on the detailed analysis of the **financial materiality of C&E risks**, conducted in compliance with ESRS E1 IRO-1, see Section “ESRS E1 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities”.

2. IRO assessment process

The IRO assessment process consisted of several separate assessment and integration phases.

The first phase was a **qualitative and quantitative analysis of the IROs identified**. The materiality of the impacts identified through the “**Operational Activities**” and “**Business Activities**” perspectives was assessed taking into account their **severity and likelihood of occurrence**. For the purposes of the assessment process, the Group considered the sector-specific evaluations carried out by UNEP FI (UNEP FI Irremediability Map), for both perspectives.

With regard to the “**Business Activities**” perspective, preliminary assessments did not highlight significant changes compared to the previous year's scope, since the composition of the investment portfolio remained substantially unchanged in terms of issuers' operating sectors. Accordingly, these assessments confirmed the results that had already emerged from the UNEP analysis conducted in the previous reporting period.

With regard to the impact analysis based on the “**Business Activities**” perspective focused on Intermonte, the entry into the Group of a new entity operating in the securities brokerage sector had a minor impact on the Group's core business, with no changes in the material topics already identified.

The outside-in perspective was instead evaluated by the Group's Risk Management Function, which considered the **exposure materiality or magnitude**, i.e., the potential financial effect generated on Banca Generali Group by the risks and opportunities identified, and their **likelihood of occurrence**. This evaluation was carried out using a score, which allowed to prioritise risks, identifying the top risks (i.e., material risks). Specifically, the risk analysis underlying the process for assessing the risks identified did not highlight changes in the risk profile compared to the previous year, thus confirming the same results of the previous reporting period.

It should be noted that this analysis reflects the prudential risk assessment process currently conducted by the Risk Management Function, which cross-references each ESG risk driver to the main traditional risk categories identified in the Risk Appetite Framework. In the final assessment phase, a **stakeholder engagement** activity was executed to confirm the topics classified as material, both through the organisation of dedicated moments for dialogue with the Banking Group's top managers — including Intermonte's stakeholders — and through the assessment of the engagement activities already undertaken by the Group in significant areas (e.g., 2024 Generali Global Engagement Survey).

3. Aggregation of final results and final approval

The scores assigned led to the identification of the topics, sub-topics and sub-sub topics that are material to the Group for the purposes of CSRD disclosure. In line with the regulatory provisions, a matter was classified as material if it met the materiality criterion from the impact perspective or the financial perspective, or both.

The results of the double materiality analysis were validated and approved on 5 November 2025⁴⁵ by the Board of Directors, in collaboration with the Board of Statutory Auditors and after receiving a favourable opinion from the Sustainability and Innovation Committee and the Managing Committee.

It should also be noted that, in accordance with the ESRS 2 IRO-1 disclosure requirements, Banca Generali Group also analysed the impacts, risks and opportunities related to the E2 (Pollution), E3 (Water and marine resources), E4 (Biodiversity and ecosystems) and E5 (Resource use and circular economy) topics, applying the same process as defined in this section; no IROs were however detected that were material to the Group's activities.

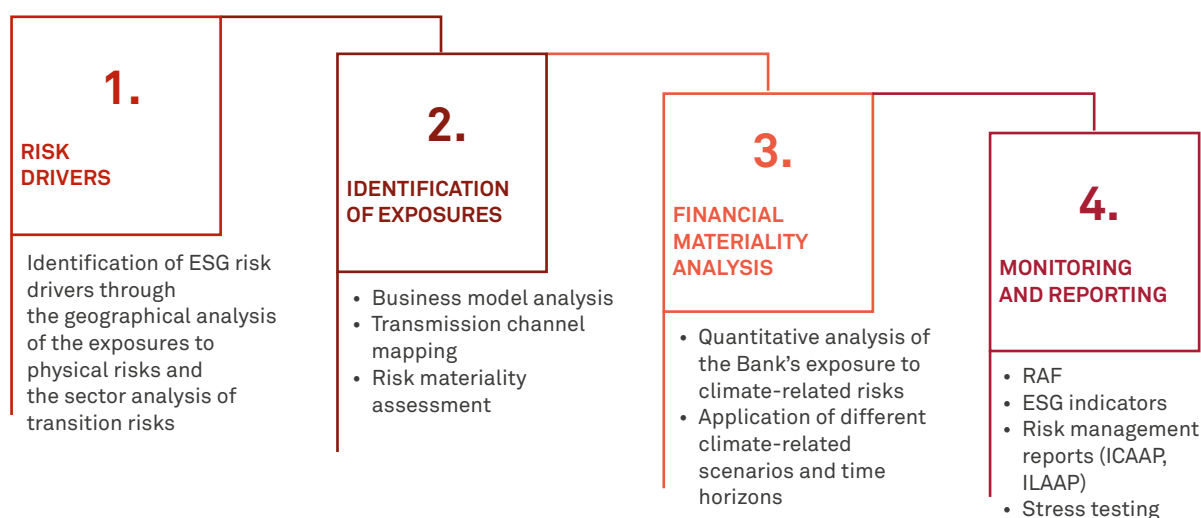
Description of the processes to identify and assess material impacts, risks and opportunities

E1
IRO-1

Financial materiality assessment of climate-related and environmental risks

In line with EU regulatory provisions and the prudential supervisory framework, the Banking Group carries out activities of identification, assessment, measurement and monitoring of climate-related and environmental (C&E) risks throughout its value chain, defining the impacts of C&E risks on traditional risk categories such as strategic, credit, market, operational and liquidity risks, and their effects on activities considering multiple time horizons. These analyses are managed by the Risk Management Function, which coordinates the measurement and monitoring of the climate-related risk drivers on the main risks, in accordance with the risk map used in the materiality analysis.

This process, called **“financial materiality assessment”**, is structured in four stages: identification of C&E risk drivers, mapping of their transmission channels affecting traditional risk categories and financial products, the selection of adequate methodologies to identify them, and the measurement of their impacts.



Phase 1 – Identification of risk drivers

Climate-related risks comprise two concepts, i.e., physical risk and transition risk:

- › **physical risk:** financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as of environmental degradation, such as air, water and land pollution, water stress, biodiversity loss and deforestation. Physical risk is therefore categorised as “acute” when it arises from extreme events, such as droughts, floods and storms, and “chronic” when it arises from progressive shifts, such as increasing temperatures, sea-level rises, water stress, biodiversity loss, habitat destruction and resource scarcity;

⁴⁵ For further details, see Section “GOV-1: The role of the administrative, management and supervisory bodies”.

- › **transition risk:** an institution's financial loss that can result from the process of adjustment towards a lower-carbon and more environmentally sustainable economy. This could be triggered, for example, by a relatively abrupt adoption of climate and environmental policies, technological progress or changes in market sentiment and preferences.

The main result of the phase of identification of risk drivers is a list of potential physical/transition risk drivers that could affect the Group's activity in relation to counterparties and/or guarantees on properties and assets.

A list of the risk drivers identified for the two categories of physical (acute and chronic) and transition risk is given here below:

C&E RISKS	DRIVERS	DESCRIPTION
Acute Physical Risk	Flooding	Pluvial flooding occurs when heavy rainfall exceeds the drainage capacity of the ground or of the urban system, causing water to accumulate on the surface.
	Inundation	Potential impact of an inundation in a specific area. Inundations may be caused by several factors, including coastal storms or obstructions of waterways.
	Landslide	Landslides occur when masses of rocks, soil or debris fall apart and move down a slope. They may be caused by heavy rainfall, earthquakes or human activities, such as deforestation.
	Wildfire	The wildfire risk index is a metric used to evaluate the likelihood and potential severity of fires in a given area.
	Windstorm	Sudden and short increases in wind speed that can cause damage to buildings, trees and infrastructures, and represent a risk for safety during extreme weather events.
	Drought	Impacts deriving from a prolonged period of dry weather, characterised by a significant reduction in rainfall compared to the historical average of a region.
	Heavy precipitation	Potential impacts arising from periods of heavy rainfall, which may cause inundations, soil erosion and damages to infrastructures.
	Hail	Hail is a meteorological phenomenon characterised by the precipitation of solid ice that occurs suddenly and locally. It can cause significant damage to buildings, vehicles, infrastructure and crops.
	Heat wave	A heat wave is a prolonged period of unusually high temperatures, often accompanied by high humidity.
	Cold wave	Potential damages deriving from a prolonged period of unusually low temperatures compared to the seasonal average.
Chronic Physical Risk	Sea-level rise	A phenomenon that occurs gradually over time and can have lasting and significant impacts on coastal communities and on the surrounding environment.
	Annual rainfall	Risk deriving from the variations in the quantity, intensity and distribution of rainfall, which may lead to extreme events such as inundations and droughts.
	Coastal erosion	Phenomenon that occurs when the coasts are eroded due to various factors, including sea level rise, storms and human activities, leading to the loss of lands, damages to properties and the need for expensive protection and adaptation measures.
	Water stress and Heat stress	Risk that occurs when the demand for water exceeds supply, often due to prolonged droughts, population increases and inefficient use of water resources, and when extreme temperatures — both hot and cold — occur that may compromise the health and safety of people.
Transition Risk	Regulatory and Policy Framework	Risk linked to the implementation of new climate change regulations and direct responsibilities for violations and/or actions that can hinder thorough management of climate change (e.g., Paris Agreement).
	Technological innovation	Risk linked to the introduction of new technologies that can alter competitiveness, in addition to changes in the price of and demand for commodities, products and services due to climate change.
	Consumers' preferences	Reputational risk linked to a shift in consumers' choices and purchase habits towards more sustainable, environmentally friendly products and services.

Phase 2 – Identification of exposures

In this phase, the Banking Group examines its activities in detail to assess its actual exposure to the potential C&E risk drivers previously identified. Specifically, the process involves analysing the company context, identifying the potential impacts of C&E risks and how they can affect the Group as a whole through the various transmission channels, and assessing the materiality of such risks in the various business lines and product categories to determine their material impact.

The following table summarises the transmission channels through which the C&E risk drivers materialise in the Banking Group's traditional risk categories:

DRIVERS	TYPE OF RISK	TIME HORIZON	TRANSMISSION CHANNEL
Physical risk and Transition risk	Credit Risk	Long term	C&E risk drivers may have impacts on the counterparties' creditworthiness and on collateral valuations, and in particular on the value of real-estate property securing mortgage loans, the performance of securities pledged to secure Lombard loans and the impact on business continuity and financial performance of the corporate customers financed.
	Market Risk	Baseline (Historical)	C&E risks may have adverse repercussions on business continuity and/or the performance of investee companies and entities (loss of value of their equities and bonds).
	Liquidity Risk	Baseline (Historical) Medium/Long term	C&E risk drivers may affect the liquidity risk in terms of possible impacts on the Bank's liquidity position.
	Operational Risk	Baseline (Historical) Medium/Long term	C&E risk drivers may give rise to impacts on the Bank's business continuity, as a result of potential damages to owned properties or suppliers' operating facilities (e.g., the fitness for use of buildings, the reliability of supply, etc.). Transition risk includes the potential additional or higher costs of maintenance and renovation of the Group's offices, branches, and other physical assets due to new laws and regulations, such as those regarding emissions and energy efficiency.
	Strategic/Reputational Risk	Baseline (Historical) Medium/Long term	C&E risk drivers may jeopardise the economic sustainability of some activities and generate strategic and reputational risks, if products that take into account ESG factors are not developed and distributed, including the management of climate-related risks that may impact performance.

Phase 3 – Financial materiality analysis

To conduct the financial materiality analysis, specific methods are established to measure the materiality of exposure to C&E risk drivers with respect to potentially affected traditional risks.

The materiality analysis is conducted annually applying a structured IPCC (Intergovernmental Panel on Climate Change) approach to assess the materiality of the different risk drivers — both physical and transition risks — based on three drivers: hazard, exposure, and vulnerability.

Exposures to physical risk drivers are assessed based on the IPCC's main climate scenarios (RCP2.6-SSP1-2.6; RCP4.5-SSP2-4.5; RCP6-SSP4-6; RCP8.5-SSP5-8.5)⁴⁶ and different time horizons — baseline (historical), medium term and long term — for the assessment of prudential risks.

The identification of the most significant physical events and transition drivers allows to understand and measure their negative impacts on the corporate context over the short, medium and long term. This process is essential to steering strategic choices and ensuring the resilience of the business model adopted. The assessment of the level of materiality of physical and transition drivers was carried out on the following traditional banking risks: Credit Risk, Market Risk, Liquidity Risk, Operational Risk and Reputational/Strategic Risk.

The following is a summary of the outcome of the analysis performed to assess the climate-related risk drivers for each category of prudential risk:

- › **Credit Risk:** the ESG risk materiality assessment on the portfolio of loans to customers is based on external information regarding acute physical risk and chronic physical risk, measured by specific scores. The analysis was carried out by identifying the relevant portfolios on the basis of Banking Group's business model, and by measuring the acute physical risk and chronic physical risk on both the corporate segment and the retail segment for the property component, and the transition risk on the corporate segment.

More in detail:

- › **determination of portfolios relevant for purposes of C&E risk Materiality Analysis:** the portfolios (corporate, retail or both) relevant to the Materiality assessment were determined on the basis of the amount used. In short, the relevant portfolios for the purposes of Materiality analysis were:
 - the retail portfolio, for which only an analysis of the physical risk on the properties securing the loans was conducted;

⁴⁶ For further details on the scenarios, visit the website www.ipcc.ch.

- the corporate portfolio, for which an analysis of both the physical risk, regarding the physical location of the legal entity, and of the transition risk, referring to the sectors in which the counterparty operates, was conducted;
- the Lombard loan portfolio, for which only an analysis of the transition risk on financial collateral was conducted;
- › **assessment of Materiality of Acute and Chronic Physical Risk** on the corporate and retail portfolios (for the part of the properties mortgaged), carried out on the basis of the overall score that represents the degree of exposure of the undertaking or property to acute/chronic risks, as a function of geographical hazard. This score was estimated on the basis of the RCP 4.5 climate scenario, over a time horizon extending until 2040. For corporate counterparties, sector vulnerability is also relevant, in order to take account of the different way in which hazards may affect the undertaking as the sector in which it operates changes;
- › **materiality assessment of Transition Risk** on the corporate scope, conducted using the overall score, supplied by an external provider, which expresses the degree of exposure, determined by observing the impact on financial reporting fundamentals in the net-zero scenario over the time horizon until 2050, as a function of the ATECO (Italian classification of economic activities) sector in which the counterparty operates.

LEVEL OF MATERIALITY

The impact of ESG risk drivers on traditional risk channels can be:

1	Low
2	Medium-low
3	Medium-high
4	High

The following table summarises the materiality assessment of risk drivers and the overall C&E risk score of the entire credit portfolio analysed, which shows an overall low level of materiality.

RISK	C&E RISKS	LEVEL OF MATERIALITY
Credit Risk	Physical Risk (acute and chronic)	1
	Transition Risk	1

- › **Market/Strategic/Reputational Risk:** the analyses of transition risk within direct and indirect investments in corporate bonds and listed equities were executed using the Paris Agreement Capital Transition Assessment (PACTA) tool. This tool allows investors to obtain a granular view of the alignment of the analysed portfolios by climate-relevant sectors and the related technologies, with the aim of identifying exposure to risks associated with a disorderly transition to a low-carbon economy.

To complement the analyses conducted on corporate bonds and listed equities, a further analysis was carried out on direct and indirect investments in government and supranational bonds. This additional analysis availed of the Climate Action Tracker, which allows to measure the alignment of UN countries' mitigation targets, policies and actions to the Paris Agreement objectives.

The analyses show a low materiality exposure to climate-relevant sectors.

RISK	C&E RISKS	LEVEL OF MATERIALITY
Market/Strategic/Reputational Risk	Physical Risk (acute and chronic)	1
	Transition Risk	1

- › **Operational Risk:** the scope of the materiality analysis considered all the properties used by the Banking Group and by its Italian and foreign suppliers, highlighting suppliers of critical or important functions. As regards physical risk drivers, the scores provided by an external infoprovider were used for analysis purposes.

The analysis shows a low materiality exposure to physical risks.

RISK	C&E RISKS	LEVEL OF MATERIALITY
Operational Risk	Physical Risk (acute and chronic)	1
	Transition Risk	1

- › **Liquidity Risk:** the Group quantitatively assessed its exposure to acute physical climate-related drivers with regard to liquidity risk. The results of the analysis did not highlight significant issues with reference to the various risk categories, as the Group's exposures are not excessively concentrated in specific areas with high climatic hazards.

RISK	C&E RISKS	LEVEL OF MATERIALITY
Liquidity Risk	Physical Risk (acute and chronic)	1
	Transition Risk	1

Phase 4 – Measurement and monitoring of C&E risks

The Banking Group periodically monitors the evolution of its exposure to C&E risk drivers. This process aims at identifying potential changes in its risk profile and detecting any issues or anomalous trends.

Through its Risk Appetite Framework, the Banking Group sets its risk appetite and tolerance, also in respect to ESG drivers, including in its assessments all the elements that may be relevant to sustainable success, in line with its strategic targets.

The Bank has also integrated C&E risk drivers into its internal capital adequacy assessment process (ICAAP) and its internal liquidity adequacy assessment process (ILAAP) through dedicated impact measurements (e.g., on assets under management and on the level of liquidity), based on the application of simulation scenarios that take into account the impacts of material physical risks and/or the greenwashing-related impacts. The same analysis is performed as part of the stress scenarios defined upon updating of the Recovery Plan.

C&E risk impact materiality assessment

Following the updating of the double materiality analysis performed for the purposes of this Sustainability Statement, Banca Generali Group confirmed the impact of its Operational Activities and Downstream Business Activities with regard to climate change.

As regards Operational Activities, the analysis was based on public sources, such as UNEPFI analyses, which assign a low climate impact to the banking and asset management sectors. In this context, thanks to a lean business model and a limited number of offices and branches, Banca Generali Group's Operational Activities were again classified as a residual emission source, also following the inclusion of Intermonte.

With reference to Business Activities, the analysis assessed the exposure to several commodity categories of proprietary portfolios, portfolio management solutions and the Sicav portfolios managed by the Group, and their relative weight on the overall portfolio. Investment environmental performance was measured using an ESG score that includes climate change mitigation. In light of their materiality, the Banking Group's investments were identified as the main potential channel of negative impact. The updating of impact materiality of Business Activities, as specified in the chapter regarding the double materiality analysis, also took into account the integration of Intermonte.

**ESRS 2
IRO-2****Disclosure requirements in ESRS covered by the undertaking's sustainability statement**

Following the Double Materiality Analysis, Banca Generali identified the material impacts, risks and/or opportunities for the following topics: climate change (ESRS E1), own workforce (ESRS S1), consumers and end-users (ESRS S4) and business conduct (ESRS G1). In addition, the Bank identified a material topic that is not currently covered by the sector-agnostic standards defined by the regulations (entity-specific topic).

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This process allowed to select the disclosure requirements relevant to Banca Generali Group so as to provide the reader and all of its stakeholders relevant, neutral, comparable, verifiable and easily understandable information, without compromising the usability of the document. Therefore, the Banking Group proceeded with cross-referencing the material topics identified to the disclosure requirements included in the standards, to then exclude the qualitative and quantitative datapoints related to the metrics not applicable and/or not material to the Banking Group.

SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	STATUS OF THE DISCLOSURE REQUIREMENT	REFERENCE PAGES
				Disclosed	120
				Disclosed	121
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		X		Disclosed	130-131
				Disclosed	131-134
X				Disclosed	134
				Disclosed	134-135
X	X	X		It is specified that Banca Generali's core activities are not linked to sectors included in ESRS 2, SBM-1, 40 (d)	135-138
X		X			
X		X			
		X			
				Disclosed	139-141
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				Disclosed	165-166
				Disclosed	162-164
X	X	X		Disclosed	162-164
X				Not material	
X				Not material	-
X				Not material	
X	X	X		Disclosed	166-168
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				Disclosed	168
		X		Phase-in	
	X				-
	X				
		X			
				Disclosed	145
				At the end of the Double Materiality Analysis, the topic was not classified as material. Accordingly, all disclosure requirements related to this topical standard are not subject to disclosure, except for the DR IRO-1, as provided for by ESR 2, Appendix C.	-
					145
				At the end of the Double Materiality Analysis, the topic was not classified as material. Accordingly, all disclosure requirements related to this topical standard are not subject to disclosure, except for the DR IRO-1, as provided for by ESR 2, Appendix C.	-
				Disclosed	155
				At the end of the Double Materiality Analysis, the topic was not classified as material. Accordingly, all disclosure requirements related to this topical standard are not subject to disclosure, except for the DR IRO-1, as provided for by ESR 2, Appendix C.	-
				Disclosed	145
				At the end of the Double Materiality Analysis, the topic was not classified as material. Accordingly, all disclosure requirements related to this topical standard are not subject to disclosure, except for the DR IRO-1, as provided for by ESR 2, Appendix C.	-
				Disclosed	139-141
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X				Disclosed	
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Incidents of discrimination, para. 103 (a)

Non-respect of UNGPs on Business and Human Rights and OECD, para. 104 (a)

S2 – Workers in the value chain

S2 SBM-2 – Interests and views of stakeholders

S2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Significant risk of child labour or forced labour in the value chain, para. 11 (b)

All DRs

S3 – Affected communities

S3 SBM-2 – Interests and views of stakeholders

S3 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

All DRs

S4 – Consumers and end-users

S4 SBM-2 – Interests and views of stakeholders

S4 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

S4-1 – Policies related to consumers and end-users

Policies related to consumers and end-users, para. 16

Non-respect of UNGPs on Business and Human Rights and OECD guidelines, para. 17

S4-2 – Processes for engaging with consumers and end-users about impacts

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

S4-4 – Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

Human rights issues and incidents, para. 35

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Entity-specific disclosures

MDR-P – Policies adopted to manage material sustainability matters

MDR-A – Actions and resources in relation to material sustainability matters

MDR-M, MDR-T – Effectiveness of policies and actions and relevant metrics

Governance disclosure

G1 – Business conduct

G1 GOV-1 – The role of the administrative, management and supervisory bodies

G1 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

G1-1 – Business conduct policies and corporate culture

United Nations Convention against Corruption, para. 10 (b)

Protection of whistleblowers, para. 10 (d)

G1-2 – Management of relationships with suppliers

G1-3 – Prevention and detection of corruption and bribery

G1-4 – Incidents of corruption or bribery

Fines for violation of anti-corruption and anti-bribery laws, para. 24 (a)

Standards of anti-corruption and anti-bribery, para. 24 (b)

G1-5 – Political influence and lobbying activities

G1-6 – Payment practices

SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	STATUS OF THE DISCLOSURE REQUIREMENT	REFERENCE PAGES
				Disclosed	199-206, 214-217
X		X		Disclosed	206-207 217
X				Disclosed	207-208
X		X		Disclosed	208
X				Disclosed	
X		X		Not material	208, 218
				Not material	-
X				Not material	-
				Not material	-
				Not material	-
				Not material	-
				Disclosed	139-141
				Disclosed	219, 223
X				Disclosed	219-220 224-226
X		X		Disclosed	220-221 226-227
				Disclosed	221, 227
X				Disclosed	221-222 227-228
				Disclosed	222, 228
				Disclosed	229-230
				Disclosed	231-239
				Disclosed	239-240
				Disclosed	121-130
				Disclosed	241
X				Disclosed	241-243
X				Disclosed	243-245
				Disclosed	245-246
X		X		Disclosed	246
X				Disclosed	246
				Disclosed	247

Policy overview

Banca Generali has adopted an internal regulatory framework that guarantees the uniform transposition of internal policies by its Subsidiaries, in accordance with the specific local regulations and the principle of proportionality, providing for a structured control system to manage in advance any derogations from or conflicts with applicable laws. Within this context, it should be noted that during the Intermonte integration process, launched in 2025, a dedicated project to implement Banca Generali Group's normative documents was carried out to enable the achievement of full regulatory alignment by the first half of the year.

INTERNAL NORMATIVE DOCUMENTS	DESCRIPTION OF KEY CONTENTS	SCOPE OF APPLICATION	OWNER
Sustainability Policy	- Definition of the Banking Group's strategic sustainability principles - Identification, assessment and management of ESG-related risks and opportunities - Integration of ESG factors into the company and the business - Commitments undertaken by signing the Principles for Responsible Investments (PRI) and the Principles of the UN Global Compact - Factors supporting sustainability, such as the governance model, internal normative documents and the risk framework, remuneration, monitoring and reporting	Banca Generali and the Subsidiaries of the Banking Group	Banking Sustainability
Guidelines on Integrating Sustainability Factors into Investment Services, Collective Asset Management and Active Ownership	- Definition of principles and implementing actions for integrating ESG factors into investment decision-making and in advisory processes - Definition of the roles and responsibilities of the corporate functions involved - Responsible investment approach - PAI (Principal Adverse Impacts) management procedures - Policies on exclusion and negative screening - Active Ownership strategy and Voting Policy	Banca Generali and the Subsidiaries of the Banking Group	General Sustainability, Deputy Manager, Wealth Management
Internal Code of Conduct	- General rules of conduct - Confidentiality obligations, use of confidential and inside information and related handling methods - Market abuse - Personal transactions - Relationships with customers, investors and other external parties - Artificial Intelligence - Conflicts of interest - Internal organisation	Banca Generali and the Subsidiaries of the Banking Group	Head of Office, Head of Compliance
Whistleblowing Policy	- Definition of criteria and rules for managing reports - Bodies and functions involved in the management of reports - Whistleblowing channels - Procedures for managing the report - Protection and anti-retaliation measures - Objective scope and content of the report	Banca Generali and the Subsidiaries of the Banking Group	Head of Compliance
Anti-Bribery & Corruption Policy	- Definition of principles and guidelines for Anti-Bribery & Corruption (ABC) activities - Description of the ABC risk assessment process - ABC obligations	Banca Generali and the Subsidiaries of the Banking Group	Chief Anti-Corruption Officer
Anti-Money Laundering, Counter-Terrorist Financing, and International Sanction Policy (AML/CTF/IS Policy) of Banca Generali Banking Group	- Governance rules, roles and responsibilities - Group guidelines	Banca Generali and the Subsidiaries of the Banking Group	Chief Anti-Corruption Officer
Personal Data Protection Policy	- Lawful, fair and transparent processing of personal data - Consent and circulation of policy statement - Protection by design and by default - Management of third parties - Personal data storage - Personal data breaches - Introduction of the role of Data Protection Officer (hereinafter also "DPO")	Banca Generali and the Subsidiaries of the Banking Group	Data Protection Officer (Compliance)
Policy for Determining the Banking Group's Remuneration and Incentive Policies	- Goals pursued through the Remuneration Policy - Roles and responsibilities of the main Bodies/Functions involved in the Process - Criteria for defining remuneration - Process for identification of Key Personnel	Banca Generali and the Subsidiaries of the Banking Group	Chief Personnel Officer
DEI Guidelines	- Roles and responsibilities - Diversity, equity and inclusion principles - Integration of DEI principles in key HR management processes	Banca Generali	Chief Personnel Officer
Ethical Code for Suppliers of the Generali Group	General principles underpinning fruitful relations with contract partners	Banca Generali and the Subsidiaries of the Banking Group	Procurement

	EXTERNAL REGULATORY FRAMEWORK	AVAILABILITY	ESRS/MATERIAL TOPIC
Group Ability	• UN PRI (Principles for Responsible Investments) • UN Global Compact • SFDR (Sustainable Finance Disclosure Regulation), Regulation (EU) 2019/2088 • Assogestioni's Italian Stewardship Principles	Public website	E1, S1, S4, G1, Entity Specific
Counsel & Ability and General Products, and Asset ment	• UN PRI (Principles for Responsible Investments) • UN Global Compact • SFDR (Sustainable Finance Disclosure Regulation), Regulation (EU) 2019/2089 • EU Taxonomy Regulation 2020/852 • Italian Law No. 220 of 9 December 2021 concerning "Measures to counter the financing of on companies producing anti-personnel mines, cluster munitions and sub-munitions"	Public website	E1, Entity Specific
the Chief Risk the Chief nce Office	• United Nations Universal Declaration of Human Rights • UN Global Compact • OECD Guidelines • OECD Corporate Governance Principles • International Labour Organization (ILO) principles	Public website	S1, S4, G1, Entity Specific
the Chief nce Office	• Italian industry regulations • Corporate Governance Code for Listed Companies of Borsa Italiana • Regulation (EU) No. 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data	Public website	S1, G1
ti-Financial ffice	• Italian and European industry regulations • Provisions for the prevention and repression of corruption and illegality in the public administration	Public website	G1
ti-Financial ffice	• Italian and European industry regulations • Supervisory Provisions – Bank of Italy Circular No. 285 of 17 December 2013 "Supervisory Provisions for Banks", as subsequently amended • Implementing provisions of the Anti-Money Laundering Decree published from time to time by the Supervisory Authorities of the banking sector (Bank of Italy and IVASS with regard to the intermediation of insurance products) • Consob Resolution No. 18731	Public website	G1
tection Head of Chief nce Office)	• General Data Protection Regulation (GDPR)	Public website	S4
ple Office	• Italian and European industry regulations • EBA Guidelines on Remuneration Policies and Practices • Guidance on the collection of information regarding high-earners and on remuneration benchmarking pursuant to Article 75 of CRD • Joint Bank of Italy-Consob Communication of 8 March 2011 on the "Segregation of duties between Compliance and Internal Audit in the provision of investment and collective asset management services"	Internal website	S1
ple Office	• UNI/PDR 125:2022	Internal website	S1
ment	-	Public website	G1

INTERNAL NORMATIVE DOCUMENTS	DESCRIPTION OF KEY CONTENTS	SCOPE OF APPLICATION	OWNER
Security Policy	- Objectives, fundamental principles and security-related responsibilities - IT Security, Cyber Security, Physical Security, Corporate Security, Business Continuity and Fraud Management - Security governance - Security Management Process - Reporting	Banca Generali and the Subsidiaries of the Banking Group	Head of BCP
Business Continuity Management Policy	- Definition of the business continuity management framework - Roles and responsibilities for managing business continuity - Business Continuity Management procedures - Business Impact Analysis (BIA) and Risk Identification and Assessment (RIA) - Business Continuity Management (BCM) strategies	Banca Generali and the Subsidiaries of the Banking Group	Head of BCP
Cyber Security Resilience Testing	- Definition of security guidelines, standards and measures to execute checks aimed at detecting weaknesses, deficiencies and shortcomings (hereinafter "vulnerabilities") with a view to cyber security resilience - Definition of the requirements to plan and execute an annual check programme aimed at detecting vulnerabilities in the different phases of the life cycle of ICT assets/services and addressing them effectively	Banca Generali and the Subsidiaries of the Banking Group	IT & Operational Security
Policy on the Provision of Investment Advisory Service	- Definition of guideline principles and criteria for providing advisory services - Roles and responsibilities of the corporate structures involved - Service model: "base" and "advanced" advisory - Sources and instruments for providing the service - Methods for providing the service: from conception to advisory proposal - Reports to customers	Banca Generali	Head of Advisory Digital Finance
Commercial and Product Governance Policy	- General principles and regulatory framework - Roles and responsibilities in the product governance process - Commercial segments: assets under management, insurance products, assets under administration and banking products, non-financial services - Definition and development of the commercial offering, product governance and target customers - Process for approving new products and services - Customer protection - Monitoring of the range of products and services - Distribution channels - Definition of the commercial budget - Commercial policy and incentive schemes - Information logging and management	Banca Generali	Head of Commercial and Product Governance Under Administration
Circular on "Management of cybersecurity incidents and threats"	- Definition and classification of cybersecurity events, threats and incidents - Process for managing cybersecurity incidents and threats - Online payment security - Major incident communication activity - Communication channels, protocols and instruments	Banca Generali	Head of Cybersecurity and BCP
Circular on "Guidelines on business trips and travel"	- Guidelines' objectives and scope of application - Business trip authorisation - Rules for starting and closing business trips - Booking and cancellation - Selection of the means of transport - Overnight stay - Car rental and use of personal car - Other means of transport - Reimbursement of travel expenses - Entertainment expenses - Business trip safety and security	All the Italian Companies of Banca Generali Group	Chief of Internal Control
General Principles of Gender Equality	- Promotion and protection of diversity and equal opportunities - Spread of a gender equality culture - Development of a fair work environment - Promotion of gender equality through corporate policies and initiatives - Ongoing training on DEI matters - Accessibility of information, service and corporate spaces	Banca Generali and its key stakeholders	Chief of Diversity, Equality and Inclusion

EXTERNAL REGULATORY FRAMEWORK		AVAILABILITY	ESRS/MATERIAL TOPIC
Security and	- Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union - Bank of Italy Circular No. 285 of 17 December 2013 on “Supervisory Provisions for Banks”, as further amended and updated - National Collective Labour Agreement (CCNL) of credit financial institutions and instrumental companies - Digital Operational Resilience Act – Regulation (EU) 2022/2554	Internal website	S4
Security and	- Supervisory Provisions for Banks (Bank of Italy Circular No. 285 of 17 December 2013) - Digital Operational Resilience Act – Regulation (EU) 2022/2554 - ISO 22317:2015 (E) - ISO 22318:2015 (E) - ISO 22313:2020 - ISO 22301:2019 - ISO 27031:2011	Internal website	S4
Operations / and BCP	- Bank of Italy Circular No. 285 of 17 December 2013 on “Supervisory Provisions for Banks”, as further amended and updated - NIST.IR.8228 Considerations for Managing Internet of Things (IoT) Cybersecurity and Privacy Risks - Regulation (EU) 2016/679 (General Data Protection Regulation) - Digital Operational Resilience Act – Regulation (EU) 2022/2554	Internal website	S4
Financial /Head of Platforms	Italian and European industry regulations	Internal website	S4, Entity Specific
Products/ the Assets Administration	- Italian and European industry regulations - Consob Intermediaries' Regulation - ESMA “Guidelines on MiFID II product governance requirements” of 2 June 2017 “Supervisory Provisions for Banks” – Bank of Italy Circular No. 285 of 17 December 2013, as further amended and extended - Bank of Italy order “Provisions on the transparency of banking and financial services and transactions, and the propriety of relationships between intermediaries and customers” of 29 July 2009, as further amended and extended “Guidelines on product oversight and governance arrangements for retail banking products” – EBA Final Report GL/2015/18 of 15 July 2015	Internal website	S4, Entity Specific
the Security Service	- Italian and European industry regulations - Bank of Italy Circular No. 285 of 17 December 2013 on “Supervisory Provisions for Banks”, as further amended and updated “Guidelines on the Security of Internet Payments” of 19 December 2014 issued by the European Banking Authority (EBA) - EBA Guidelines on major incident reporting under PSD2 (EBA/GL/2021/03), issued by EBA on 10 June 2021 “Guidelines on ICT and security risk management” issued by EBA on 28 November 2019 - Provisions of EIOPA Guidelines on information and communication technology security and governance - Corporate Governance Code for Listed Companies of Borsa Italiana – January 2020, as further updated - ISO/IEC 27000 - NIST Special Publication (SP) 800 - ITIL 4 Framework of 2019, as further amended and updated, etc.	Internal website	S4
People Office	Italian National Collective Labour Agreement (CCNL) for the Credit Sector	Internal website	E1
People Office	UNI/PdR 125:2022	Internal website	S1

INTERNAL NORMATIVE DOCUMENTS	DESCRIPTION OF KEY CONTENTS	SCOPE OF APPLICATION	OWNER
Financial Partnership Policy	• Description of parties involved • Process for selecting Financial Partners • Monitoring	Banca Generali and the Subsidiaries of the Banking Group	Head of and Head Under A
Data Governance Policy	• Definition of the general principles and objectives of data governance • Main company personnel involved in Data management • Activities, roles and responsibilities of each member of company personnel • Criteria for identifying Data and the methods for documenting and performing quality controls on it	Banca Generali and the Subsidiaries of the Banking Group	Head of Transfor
Organisational and Management Model	• Contents and recipients of the Model • Disciplinary framework • Supervisory Board • Disciplinary framework	Banca Generali	Chief Pe
ICT Policy	• Definition and application of the ICT strategy • ICT project management • ICT risks	Banca Generali and the Subsidiaries of the Banking Group	Head of Operatio
ICT and Cyber-Security Risk Analysis and Management Policy	• ICT risk management framework • ICT and cyber-security risk analysis and management process	Banca Generali and the Subsidiaries of the Banking Group	Head of Office
AI Management Guidelines	• Governance system and standard approach for the adoption and life cycle management of AI initiatives • Prohibited AI practices under AI Act	Banca Generali	Head of Transfor
IT Security Circular	• Guidelines for defining and managing processes inherent in the application of IT Security Measures • Data protection • Endpoint security • Security monitoring • Infrastructure security • Security hardening	Banca Generali	IT & Ope Security
Bank's Guidelines on Workplace Layout	• Workplace governance • Workplace KPIs	Banca Generali	Head of
Fit & Proper Policy	• Definition of the requirements and criteria for fitness to hold the office of company officer and head of the main company functions	Banca Generali	Head of General Sustain
Circular on the provision of Corporate, Real Estate and Art & Passion Advisory	• Definition of Corporate, Real Estate and Art & Passion Advisory and the process for selecting, assessing and monitoring partners and for formalising agreements with them	Banca Generali	Wealth A

EXTERNAL REGULATORY FRAMEWORK		AVAILABILITY	ESRS/MATERIAL TOPIC
the Products and of Assets Administration	- Italian and European industry regulations - ESMA “Guidelines on MiFID II product governance requirements” of 2 June 2017 - ESMA “Questions and Answers on MiFID II and MiFIR investor protection and intermediaries topics” (most recently updated on 28 May 2021) “Supervisory Provisions for Banks” – Bank of Italy Circular No. 285 of 17 December 2013, as further amended and extended	Internal website	Entity Specific
Digital Information	Bank of Italy Circular No. 285 of 17 December 2013 on “Supervisory Provisions for Banks”, as further amended and extended	Internal website	Entity Specific
People Office	Italian Legislative Decree No. 231/01	Internal website	G1
IT & IT Systems	- Bank of Italy’s Supervisory Provisions - Regulation (EU) 2022/2554 – Digital Operational Resilience Act - ISACA (2019). COBIT 2019 Framework: Governance and Management Objectives. Schaumburg (USA): ISACA - Axelos (2019). ITIL Foundation: ITIL 4 Edition. London: TSO (The Stationery Office)	Public website	S4
the Chief Risk	- Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector (DORA) - Regulatory Technical Standards to further harmonise ICT risk management tools, methods, processes and policies as mandated under Articles 15 and 16(3) of Regulation (EU) 2022/2554 - Regulatory Technical Standards to specify the detailed content of the policy in relation to the contractual arrangements on the use of ICT services supporting critical or important functions provided by ICT third-party service providers as mandated by Regulation (EU) 2022/2554 - Bank of Italy Circular No. 285 of 17 December 2013 “Supervisory Provisions for Banks”, as further updated (hereinafter “Supervisory Provisions”) - EBA/GL/2017/05 of 11 May 2017 “Guidelines on ICT Risk Assessment under the Supervisory Review and Evaluation process (SREP)” - EBA/GL/2019/04 of 28 November 2019 “EBA Guidelines on ICT and security risk management” “Principles for operational resilience” issued by the BCBS on 31 March 2021	Internal website	S4
Digital Information	- OECD, Recommendation of the Council on Artificial Intelligence, OECD/LEGAL/0449 - Regulation (EU) 2024/1689 – Artificial Intelligence Act - Artificial Intelligence Governance Group Guidelines of Assicurazioni Generali - Cloud Group Policy of Assicurazioni Generali	Internal website	Entity-specific
Operations/ and BCP	- Bank of Italy Circular No. 285 of 17 December 2013 on “Supervisory Provisions for Banks”, as subsequently amended and extended - NIST.IR.8228 Considerations for Managing Internet of Things (IoT), Cybersecurity and Privacy Risks - Regulation (EU) No. 2016/679 (General Data Protection Regulation) - Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector - Bank of Italy Circular No. 285 of 17 December 2013 on “Supervisory Provisions for Banks”, as subsequently amended and extended	Internal website	S4
Logistics	Assicurazioni Generali Group’s Guidelines on Premises & Facility Management	Internal website	E1
the Counsel & Liability	- Corporate Governance Code - MEF Decree “Save Italy” Decree - CRD IV - Supervisory Provisions - ECB Guidelines - EBA/ESMA Guidelines - Issuers’ Regulation - Market Regulation - TUB - TUF	Public website	General Disclosure
Advisory	-	Internal website	Entity Specific

ESRS
E1E1-1
E1-3
E1-4

Climate change

Transition plan for climate change mitigation⁴⁷

On 10 February 2025, the **Board of Directors**, in collaboration with the **Board of Statutory Auditors** and with a prior favourable opinion from the **Sustainability and Innovation Committee** and the **Managing Committee**, approved **Banca Generali Group's Transition Plan** (hereinafter the "Plan"). Although it does not include all the elements required for the alignment with the Paris Agreement and for the definition of science-based objectives, the Plan identifies the main decarbonisation levers and the medium-/long-term targets of the Group's climate-related strategy with regard to both Operational Activities and Business Activities (investment portfolio).

The Plan is embedded in the Company's corporate strategy and financial planning; it is part of a long-term path launched with the 2022-2024 Strategic Plan, which recognised **climate change as a priority topic** and put in place transition initiatives, defining the long-term 2040 net-zero target for Business Activities (Investments). The new Plan continues along the path towards a low-carbon economy, in line with the Bank of Italy's supervisory expectations for climate-related and environmental risks and EBA's recent Guidelines on the management of ESG risks.

Banca Generali Group has long conducted structured activities for measuring the GHG emissions of its investment portfolio and for monitoring the emissions generated by its Operational Activities, in accordance with the environmental targets set and reached in previous years. Within this context, in the next four years the Group intends to develop a **data framework** that enables to efficiently and scientifically set its objectives, with the aim of improving the measurability and transparency of its climate-related strategy. The Plan lays down **interim (2030) and long-term decarbonisation targets**, with achievement of the **net-zero target by 2040**, for both Investments and Operational Activities.

With regard to Business Activities investments, which represent the main source of emissions, the scope of objectives refers to the financial assets on which the Bank has direct control, including corporate issuers (equities and bonds) within the Proprietary Portfolio, Discretionary Mandates and Funds of BGFML. As regards Investments, the Climate Transition Plan has set the target to **reduce by 55% compared to 2019** the investment carbon footprint, measured as Scopes 1 and 2 emissions per million euros invested, **to be reached by 2030**, and then to reach the net-zero target by 2040. It has also confirmed the commitment to a **coal phase-out by 2030** for the same reporting scope.

With regard to Operational Activities, which are a residual source of emissions, a medium-term target of **-40%** in absolute terms has been set for **2030** with reference to Scopes 1 and 2 GHG emissions, expressed in tonnes of CO₂eq.

To support the GHG emission reduction targets, the Plan identifies several **decarbonisation levers** and ensures continuity with the actions launched in this area in previous years to promote climate transition.

Said levers apply to both Operational Activities (own emissions) and Business Activities (investment portfolio) and refer to several strategic areas, including ongoing consolidation of internal normative documents, enrichment of the climate-related database and its governance, and focus on the sustainable management of offices and mobility.

⁴⁷ It should be noted that the disclosure requirements under ESRS E1-1 16. e), f) are not covered in this Chapter, as they are not applicable to Banca Generali.

DECARBONISATION LEVERS	ACTIONS IMPLEMENTED IN 2025	VALUE CHAIN
Strengthening of the responsible investment framework	Extension of the Active Ownership strategy to all solutions underlying the investment products and services manufactured by Banca Generali Group.	Business Activities
Training on climate-related and environmental matters	Dedicated training on the Transition Plan for all employees, over 8,800 hours of advanced training provided to the Sustainable Advisor network and advanced ESG training for all Financial Advisors.	Operational Activities and Business Activities
Sustainable management of buildings	Start of energy-efficiency works through the renovation of the Trieste premises, with completion planned by 2027. 100% renewable energy use at the Bank's main premises. Dematerialisation actions encouraging the use of digital channels over traditional ones. Update of the Guidelines on Business Trips and Travel, encouraging employees to use lower environmental impact means of transport.	Operational Activities
Upgrade of the company vehicle fleet	Adoption of a car catalogue in line with the commitment to transitioning to a fully electric or hybrid company fleet by 2030.	Operational Activities
Hybrid work model	Confirmation of the hybrid work model and of the Bank's operating-site closures on Fridays and holiday periods.	Operational Activities
Suppliers	Continuation of ESG due diligence activities, involving all suppliers with a turnover exceeding 100,000 euros for a total of 89% of the purchase value.	Operational Activities
ESG investment strategies	Confirmation of the exclusion of companies operating in ESG-controversial, high environmental impact sectors, such as coal and unconventional extraction, and companies involved in serious environmental damage under the UNGC. Quarterly ex-post monitoring of investments to ensure compliance with the exclusion criteria adopted. Adoption of best-in-class strategies that allow to invest in issuers with solid environmental performance. Strengthening of the climate-related engagement activities involving investees, thanks to dialogue with ten relevant issuers and several asset managers.	Business Activities
Provision of transition-oriented financial and insurance products or services	Increased monitoring of ESG products, which at 31 December 2025 totalled 21.5 billion euro ESG AUM (40.8% of managed solutions). Strengthening of the Sustainable Advisor network, specialised in ESG products, tools and best practices.	Business Activities
Participation in international initiatives and trade associations focussed on climate and the environment	Active participation in the ESG working groups of the PRI and the Forum per la Finanza Sostenibile (Italian Sustainable Investment Forum), to promote transparency on environmental impacts.	Business Activities
Strengthening of the climate-related data base and the monitoring infrastructure	Start of the development of the platform for monitoring investment GHG emissions.	Business Activities
Application of ESG KPIs to incentive systems	KPI linked to the carbon footprint reduction target for the Banking Group's investments in the STI and LTI systems, in line with the Transition Plan objectives.	Business Activities

In addition, the Bank has planned actions in line with the Plan's commitments such as full electrification of corporate sites and the vehicle fleet, completion of the GHG monitoring platform and development or placement of new financial and insurance transition-oriented products or services.

The Bank also undertakes to regularly review and update its Transition Plan to align it with emerging best practices and to increase and strengthen its commitment towards climate change mitigation.

The Sustainability and Innovation Committee regularly monitors the implementation of GHG reduction actions and targets using the **Sustainability Dashboard**.

To support the implementation of the climate-related strategy described above, as of 2022 the Bank has made investments — in terms of both CapEx and OpEx — aimed at advancing the Transition Plan initiatives. However, this Report does not provide a detailed disclosure of the amounts invested as the figures are not material with regard to the Bank's overall budget and expenditure.

To date, Banca Generali has not launched any actions of removal and/or storage of its emissions (locked-in emissions); its efforts are focused on mitigation measures.

The Bank's commitment to a decarbonisation path is also confirmed by the fact that it is not subject to the exclusion criteria provided for by EU Paris-aligned benchmarks, as it does not operate

in the mining, coal and oil & gas sectors, characterised by economic activities incompatible with limiting global warming to 1.5°C.

At 31 December 2025, progress made compared to the 2019 baseline was as follows:

		BASE YEAR (2019)	PERSPECTIVE		
			2025	2030 TARGET	2040 TARGET
UNIT OF MEASURE					
Focus on Investments					
Carbon footprint		100%	-46%	-55%	Net zero
	tCO _{2eq} /€ million	108	58	48	-
Focus on Operational Activities					
Scopes 1 & 2		100%	-31%	-40%	Net zero
	tCO _{2eq}	628	433	377	-

- › **Business Activities investments:** a 46% reduction of the carbon footprint referring to Scopes 1 and 2 emissions of corporate issuers (direct investments in equities and bonds of the proprietary portfolio managed on behalf of customers), expressed in tCO_{2eq} per million euros invested;
- › **own emissions from Operational Activities:** a 31% reduction in absolute Scopes 1 and 2 emissions (market-based), expressed in tCO_{2eq}, thanks to actions aimed to increase building energy efficiency and gradually upgrade the company's vehicle fleet.

E1 SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

The Double Materiality Analysis⁴⁸ concerning climate change has taken into consideration both Business Activities and Operational Activities: in general terms, risk management appears to be well established in both cases, with no material risks detected. However, given the strategic impact of the financial sector on climate change and the growing focus by the Supervisory Authorities and European institutions on the management of climate transition, Banca Generali has set climate change (E1) as a potential material topic, **identifying investments in high climate impact sectors as the main potential negative impact**.

Elements mitigating climate-related and environmental risks in Business Activities

The Double Materiality Analysis was performed on Own Investments, on the portfolios of Portfolio Management solutions and on the Sicavs managed by Banca Generali Group. With reference to **risks**, the magnitude was evaluated together with the likelihood of occurrence in order to determine which risk drivers may generate material effects. This process consisted in assigning a score that took into account, *inter alia*, environmental performance and also included assessments linked to specific aspects such as climate change mitigation, business model resilience, adaptation to climate change, energy efficiency and the use and spread of renewable energy. In addition, as regards the analysis on investments, the Banking Group introduced a negative screening of counterparties linked to controversial sectors that aims at containing said investments in light of its commitment to climate change.

Elements mitigating climate-related and environmental risks in Operational Activities

In line with regulatory provisions, Banca Generali has defined a series of actions and control measures aimed at assessing its operational resilience, including considerations linked to climate change and the related physical risks, which are included in the Business Continuity Plan prepared by Banca Generali and its subsidiaries. This Plan, subject to ongoing maintenance, chiefly aims to ensure critical processes continuity and a high level of customer service.

In particular, several risk scenarios based on international best practices and regulators' guidelines have been included, defining appropriate mitigation actions. The business continuity management process also includes awareness-raising initiatives dedicated to process owners aimed

⁴⁸ For further information on the process and outcome of this analysis, see Sections "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities" and "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model".

at ensuring efficient incident and crisis management procedures. The Business Continuity Plan provides for implementation of the following activities:

- › strengthening of Business Impact Analysis (BIA) activities in order to identify, quantify and fully qualify the business impacts of the interruption/loss of activities through training sessions for process owners and specific interviews;
- › review of Risk Identification & Assessment (RIA) processes with the aim of achieving a systematic risk assessment through a review of the risk catalogue, risk assessment criteria and associated threats;
- › consolidation of the Business Continuity Strategy and the Emergency and Crisis Plan, ensuring consistency with the new methodologies and processes adopted;
- › strengthening of the Disaster Recovery (DR) Plan currently in use, also setting up semi-automated collection of information useful for structuring the plan;
- › consolidation and enrichment of the methods of executing Business Continuity and Disaster Recovery Tests on multi-year plans, through the thorough execution of different scenarios and test methods (e.g., simulations and walkthroughs) that will also include the participation of specific critical functions.

With particular regard to risks connected to climate change, Banca Generali has identified potential impacts on its Operational Activities, mainly linked to extreme climate events and possible disruptions of critical processes.

To address such risks, the Bank has defined mitigation measures and actions to strengthen operational resilience, aimed at ensuring the continuity of the services offered to customers and the proper functioning of critical processes, in line with the Company's strategy and business model.

Policies related to climate change mitigation and adaptation

E1-2

Banca Generali Group has long been focused on climate change and sound environmental management, as confirmed by the gradual strengthening of its regulatory framework on these matters. Therefore, the Group has adopted policies aimed at ensuring a thorough management of its potential impacts on climate change, with regard to both Operating Activities and Business Activities (investment portfolio).

In particular, in June 2024 Banca Generali S.p.A.'s Board of Directors approved, within the **Sustainability Policy**, environmental and climate-related principles consistent with the environmental commitments undertaken by signing the UN Global Compact, and aligned with the Sustainable Development Goals (SDGs) of the United Nations. The Banking Group specifically commits to a sound and thorough management of its Operational Activities with respect to the environment and to promoting environmental responsibility among different stakeholders, such as employees, Financial Advisors, customers and suppliers. In addition, the Sustainability Policy also establishes the procedures for integrating sustainability factors into the main business activities.

As regards **Operating Activities**, the **Sustainability Policy** is complemented by detailed internal normative documents, which thoroughly govern the specific processes and control measures, ensuring consistency and uniform application of sustainability principles.

In further detail:

- › as regards mobility, the Banking Group has adopted the **Guidelines on Business Trips and Travel**, which, albeit not setting specific objectives and/or targets, encourage the use of public transport — instead of personal cars —, especially the least polluting means (e.g., trains rather than planes);
- › by adopting the **Guidelines on Workplace Layout**, the Bank has set standards to build accessible, efficient and comfortable workspaces, contributing, at the same time, to achieving its sustainable objectives. Specifically, these Guidelines cover the environmental sustainability of buildings, providing for the use of eco-friendly materials, sustainable management of resources and the promotion of ecological practices that reduce the environmental impact;
- › the **Ethical Code for Suppliers of the Generali Group**, also adopted by the Banking Group, sets out the conduct expected from contractual partners with regard to compliance with certain principles, including those related to environmental protection.

With reference to **Business Activities** as well, **the Banking Group has integrated** the principles linked to climate change laid down in the Sustainability Policy **in the normative documents related to the individual business activities** (provision of individual portfolio management, investment advisory and research, collective asset management, lending and proprietary portfolio management).

More specifically:

- › the **Guidelines on Integrating Sustainability Factors into Investment Services, Collective Asset Management and Active Ownership** adopted in July 2024 confirm the Banking Group's commitment to promoting and supporting transition through the integration of ESG criteria into investment policies, as well as into the provision of products and services. The approach adopted uses an ESG score, which takes into account, *inter alia*, the environmental performance of financial instruments in terms of climate change mitigation and adaptation, and provides for specific controls for the selection of counterparties and asset managers, whose own analysis and due diligence processes integrate ESG aspects;
- › in said Guidelines, the Banking Group has also defined an Active Ownership approach, with specific regard to climate change mitigation and adaptation. This includes the exercise of voting rights and participation in corporate and industry initiatives fostering a low-carbon transition. In principle, the Group supports shareholders' resolutions requesting greater transparency on GHG emissions and the adoption of strategies (including lobbying) aimed at reducing them. In addition, GHG emission performance was also identified as one of the material topics for selecting financial counterparties towards which to carry out engagement activities;
- › the specific normative documents governing the corporate lending process incorporate the ESG factor analysis, with the objective of identifying and managing any sustainability risks during the credit granting stage. In detail, the due diligence process involves the analysis of the relevant operating sector, as well as of the exposure to the overall ESG risk, with a focus on companies' physical risk and transition risk, using a score provided by an external infoprovder, and enhanced due diligence and escalation procedures for companies belonging to a controversial sector and/or in case of high risk indicators (ESG, physical and transition risks);
- › in a specific policy, the Bank has also established the methods for managing its Proprietary Portfolio, in accordance with the Sustainability Policy and the sustainability strategy adopted.

In recent years, Banca Generali has also embarked upon a path of gradual integration of ESG factors into its risk framework, focusing on climate-related risks.

E1-6

Gross Scopes 1, 2, 3 and Total GHG emissions⁴⁹

Banca Generali Group measures and reports GHG emissions of properties used as headquarters and covered by Generali Group's Environmental Management System, in accordance with the criteria set for the purposes of this disclosure. In fact, the Bank has complete **operational oversight** over these **properties** and measures their emission data also with the support of the Group's facility management structure. The scope of GHG emission measurement includes the Bank's two main sites, namely the Milan headquarters (Generali Hadid Tower, located in Piazza Tre Torri 1) and the Trieste offices (Corso Cavour 5/a), and does not include the bank branches and the foreign sites with a modest number of employees. Overall, the two facilities are the place of work of most of employees, hosting 73% of the Banking Group's workforce, in line with the previous years. At both head offices, a facility management service is provided by Generali Italia, a Generali Group company responsible for, among other aspects, the operation and scheduled maintenance of technological and special installations and management of utilities and waste.

It should also be noted that, following the update of the regulatory standards, **the scope used to calculate Scope 3 emissions** as per the table below changed in 2024, as a result of first CSRD-compliant disclosure and for the purpose of including **financed emissions** (Category 15). As regards Banca Generali Group, this category refers to Banca Generali S.p.A.'s investments held in its proprietary portfolio, namely the absolute GHG emissions exclusively associated with corporate and government investments held in said portfolio.

In disclosing its GHG emissions, Banca Generali considers the principles, requirements and guidance provided by the **GHG Protocol Corporate Accounting and Reporting Standard** and the **PCAF (Partnership for Carbon Accounting Financials)**, both recognised in the Sustainability Statement standard regarding climate change. The disclosure takes into account several GHG — CO₂ (carbon dioxide), CH₄ (methane) and N₂O (nitrous oxide) — all converted into carbon dioxide equivalent (CO_{2eq}) and broken down by type of sources.

As regards **emissions from Operating Activities**, as of 2022 the measurement process is executed by availing of the support of the data collection software Sphera Cloud Corporate Sustainability, which integrates emission factors and is fed by the individual legal entities, allowing emissions for each segment to be calculated automatically.

⁴⁹ Consumption information has been surveyed by Generali Italia and then allocated to Banca Generali according to the percent occupation of the buildings (82.27% for the Trieste headquarters and 14.85% for the Hadid Generali Tower). In fact, of the 43 total useable above-ground floors in the Hadid Generali Tower, only 5 are occupied by Banca Generali personnel (in addition to one used as a branch).

Emissions generated by the investment component are **calculated by the data provider**, which processes information collected from public sources (e.g., financial statements and issuers' websites) and uses the most recent data available at the time of calculation, integrating it — where necessary — with estimates. In particular, emissions generated by government bonds, exclusively referring to sovereign securities, are measured based on data made available by the UNFCCC and the World Bank Open Data site.

	UNIT OF MEASURE	2024	2025	% CHANGE 2024-2025
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions		325.1	302.5	-6.96%
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions		595.2	640.5	+7.61%
Gross market-based Scope 2 GHG emissions		119.3	130.1	+9.04%
Significant Scope 3 GHG emissions				
Total gross indirect (Scope 3) GHG emissions		964,243.4	854,825.4	-11.35%
1. Purchased goods and services: paper use and water consumption	tCO _{2eq}	9.9	13.2	+33.22%
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)		316.5	310.9	-1.77%
5. Waste generated in operations		9.9	11.0	+10.76%
6. Business travelling		101.1	94.1	-6.93%
7. Employee commuting		-	467.2	n.s.
15. Investments		963,806.0	853,929.0	-11.40%
Total GHG emissions				
Total GHG emissions (location-based)		965,163.7	855,768.4	-11.33%
Total GHG emissions (market-based)		964,687.8	855,257.9	-11.34%

Scope 1

Scope 1 emissions include **direct emissions** from sources that are directly owned or controlled by Banca Generali. This category includes emissions generated **from heating and refrigerant gases of owned operating sites, and those due to fuel for owned company vehicles**. Data relating to the company fleet (excluding pooled cars) are determined in litres of fuel and electricity consumed⁵⁰.

Scope 2

Scope 2 emissions include **indirect emissions** from **purchased energy, such as electricity and district heating**. These emissions result from the generation of purchased energy, and not directly from the Bank's internal processes.

Scope 3

Scope 3 emissions include all **other indirect emissions** that occur in the Bank's value chain, both upstream and downstream, and are generally the most difficult to monitor. In 2025, Banca Generali therefore conducted an extensive analysis to identify and confirm the categories material to the Banking Group. Accordingly, all categories deemed not applicable, not material or difficult to monitor due to data availability issues, were excluded from the reporting process.

In addition, the decision to disclose some Scope 3 categories, although not quantitatively material, was driven by a principle of transparency. This decision was made possible by Facility Management department coordination with the Parent Company Assicurazioni Generali as regards property management, supported by Banca Generali's data quality controls on the same data.

As a result of this analysis, the Scope 3 categories included in the 2025 disclosure refer to the **emissions generated by the investment component** (the key emission category of financial institutions – **Category 15**) and the emissions generated by Operating Activities, namely paper use

⁵⁰ This value was converted into Km using an average conversion factor of 18 km per litre (13.5 x 100 per kWh).

and water consumption (**Category 1**), activities linked to fuel and energy not included in Scopes 1 and 2 (**Category 3**), waste disposal (**Category 5**), business travelling (train, airplane and company fleet vehicles **Category 6**) and, for the first time, employee commuting (**Category 7**).

In detail:

- › **Category 1** - Purchased goods and services: emissions generated by paper use and water consumption and calculated by applying criteria proportional to invoice data (paper use and water consumption);
- › **Category 3** - Fuel and energy-related activities: emissions generated from the energy purchased and fuels used, estimated based on actual consumption and the related emission factors;
- › **Category 5** - Waste generated in operations: emissions associated with waste generated (recycled waste, unsorted waste and waste destined to incineration), calculated using measurements or estimates and specific emission factors;
- › **Category 6** - Business travelling: emissions generated by business travel and trips (airplane, car and train), calculated based on the kilometres travelled and the emission factors of the different means of transport;
- › **Category 7** - Employee commuting: emissions generated by employee commuting, estimated based on the average of data collected through questionnaires conducted at Generali Group's main legal entities;
- › **Category 15** - Investments: absolute GHG emissions⁵¹ associated to Banca Generali's corporate and government investment portfolio, calculated on the basis of the positions held and the related emission factors.

Categories 4, 9, 10, 11 and 12 were not disclosed, as they were deemed not applicable in light of the Bank's business model and activities. It should be noted that, for 2025, it was not possible to disclose the emissions of Category 8 - Upstream leased assets: although data identification and collection activities were launched in the year, the complexity of information flows and the incomplete available scope did not allow for the collection of adequate data to measure emissions in compliance with the disclosure requirements.

Pursuant to the ESRS 1 provisions as per Appendix E, emissions intensity is not disclosed, as it is not deemed representative of performance at the Banking Group level, considering the nature of the business. On the contrary, the emissions intensity is considered strategic for some components of the value chain, particularly investment carbon footprint, as specified in the dedicated sections E1-4 Transition Plan for Climate Change Mitigation and E1-6 Gross Scope 1, 2 and 3 and Total GHG Emissions.

E1-7
E1-8

Carbon credits and internal carbon pricing

As defined in its Sustainability Policy and confirmed by the adoption of its first Transition Plan, Banca Generali is committed to monitoring its GHG emissions from direct and indirect corporate activities associated with the value chain, so as to contribute to their reduction and foster transition.

With respect to these environmental impacts, the Bank implements specific decarbonisation levers, as well as actions aimed at containing emissions generated by consumption and investment processes, which, as already explained, are the Bank's main emission source.

To date, these actions do not include removal and/or storage of emissions. Similarly, the Bank does not apply internal carbon pricing schemes, as it prioritises other environmental strategies in light of the peculiarities of the sector in which it operates.

⁵¹ As regards Corporate investments, absolute emissions at a point in time (t) correspond to:

$$\sum_i^N \text{counterparty } i \text{ emissions} \times \frac{\text{BG exposure vs counterparty } i}{\text{Counterparty EVIC } i}$$

Where:

- (t): date of reference (e.g., year-end 2025);
- counterparty i emissions: tonnes of CO₂ equivalent generated by the organisation (Scope 1 and Scope 2);
- BG exposure vs counterparty: total investment in million euros in the organisation, held in the portfolios included in the scope of reference (own direct investments in listed equity and bond securities);
- Counterparty EVIC: the undertaking's Enterprise Value Including Cash in million euros, calculated as market capitalisation + preference shares + minority interests + total debt.

As regards Government investments, the scope exclusively includes sovereign securities and absolute emissions are calculated by applying the PCAF protocol:

Government security's absolute emissions = (a) Scope 1 absolute emissions / (b) GDP (adjusted for purchasing power parity).

Data sources used:

- a) UNFCCC (Greenhouse Gas Inventory Data - GHG Profiles - Annex I) data referring to CO₂ emissions excluding LULUCF for the last available year in the inventory, namely 2021.
- b) World Bank Open Data: data referring to 2021 in line with data on absolute Scope 1 emissions.

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)

EU Taxonomy: purposes and context

The EU Taxonomy is a cornerstone of the European Union's sustainable finance framework. It is governed by Regulation (EU) 2020/852 (so-called "Taxonomy Regulation"), which aims to direct investments towards economic activities that are sustainable in environmental terms (**environmentally sustainable**), in line with the objective of the European Green Deal.

The EU Taxonomy provides at Union level a clear, common language that identifies the economic activities that can be considered environmentally sustainable, namely those that comply with specific technical-scientific criteria with respect to six environmental objectives defined in the relevant regulation:

- › climate change mitigation;
- › climate change adaptation;
- › sustainable use and protection of water and marine resources;
- › transition to a circular economy;
- › pollution prevention and control;
- › protection and restoration of biodiversity and ecosystems.

To classify an economic activity as **environmentally sustainable**, it is necessary to apply the **technical-scientific criteria** (so-called "**technical screening criteria**") regarding the objectives of the Taxonomy governed by the Delegated Acts⁵². The European Taxonomy classifies economic activities as follows⁵³:

- › **Taxonomy-non-eligible economic activities**, i.e., activities not described in the Delegated Acts, adopted to define the technical screening criteria that allow to classify an activity as environmentally sustainable;
- › **Taxonomy-eligible economic activities**, i.e., activities described in the Delegated Acts, irrespective of whether those economic activities meet the technical screening criteria;
 - **Taxonomy-aligned activities**, i.e., activities that comply with all the criteria as per Article 3 of Regulation (EU) 2020/852;
 - **Not Taxonomy-aligned activities**, i.e., activities that do not comply simultaneously with all the criteria.

Within this context, Article 8 of the EU Taxonomy provides for specific disclosure requirements for financial and non-financial undertakings and, with a view to ensuring uniform application of the EU Taxonomy, the regulatory framework requires financial undertakings falling within the CSRD scope to report on environmentally sustainable economic activities applying a gradually extended scope.

The EU Taxonomy for the Banking Group

The Banking Group adopts a holistic approach to sustainability that integrates ESG considerations into its investments, its range of products and services and its customer relationships. In particular, with regard to its commercial approach, the Bank, in addition to collecting its Customers' sustainability preferences in accordance with the procedures set forth by MiFID II, has also collaborated with a company specialised in sustainable investments to provide its customers, through its Financial Advisors, with a platform that allows, among other things, to estimate the positive contribution of the investment proposals based on specific assets oriented towards achieving the individual 17 Sustainable Development Goals.

⁵² Commission Delegated Regulation (EU) 2023/2485 and Commission Delegated Regulation (EU) 2023/2486, published on 21 November 2023, amend and supplement Commission Delegated Regulation (EU) 2021/2139, which establishes the criteria for the first two climate objectives, and determine the technical screening criteria for the other four environmental objectives. Commission Delegated Regulation (EU) 2022/1214, published on 15 July 2022, amends Commission Delegated Regulation (EU) 2021/2139 as regards the economic activities of certain energy sectors (linked to nuclear energy and fossil gas). Commission Delegated Regulation (EU) 2026/73, published on the *Official Journal of the European Union* on 8 January 2026, introduced several simplifications regarding information to be disclosed concerning environmentally sustainable activities pursuant to Article 8 of Regulation (EU) 2020/852, also amending certain DNSH technical screening criteria contained in Commission Delegated Regulations (EU) 2021/2139 and 2023/2486.

⁵³ Pursuant to Regulation (EU) 2020/852.

Similarly, the product development process also takes into account the sustainability objectives starting with an analysis of target customers' sustainability preferences: the gradual development of products oriented towards EU Taxonomy will be possible depending on data availability, quality and breadth.

In this regard, in 2025 the Bank developed a new type of loan for its employees for the purchase of electrical or hybrid vehicles, in accordance with the purposes of the EU Taxonomy. Again in 2025, the Taxonomy-based analysis of loans to households collateralised by residential immovable property was enhanced, the scope of guarantees was effectively analysed and the Energy Performance Certificate was obtained to calculate the alignment with the EU Taxonomy criteria⁵⁴.

The EU Taxonomy reporting approach of the Banking Group

The detailed methodology and KPIs to be adopted for disclosure by credit institutions pursuant to the EU Taxonomy Regulation are laid down in Commission Delegated Regulation (EU) 2021/2178 (as further updated). In particular, Article 4 establishes that credit institutions shall disclose their proportions of Taxonomy-eligible/aligned economic activities with regard to the six environmental objectives identified by the EU Taxonomy, as specified in Annex V, presenting them in tabular form by using the specific template set out in the European Regulation.

In the final months of 2025 and in early 2026, new important regulatory developments were introduced to the EU Taxonomy. In accordance with the evolution of other ESG disclosures (such as the Pillar III ESG template and the PAI Statement), the European regulator launched a revision of the Taxonomy KPI calculation and disclosure, with the objective of achieving a substantial simplification. To this end, on 8 January 2026, Commission Delegated Regulation (EU) 2026/73 of 4 July 2025 amending Delegated Regulation (EU) 2021/2178 was published in the *Official Journal of the European Union*. This Regulation (so-called "Omnibus Delegated Act"), concerning amendments to the logic for populating the EU Taxonomy templates, is applicable as of 1 January 2026 with regard to financial year 2025.

In light of Commission Delegated Regulation (EU) 2026/73 and in line with the suggestions and recommendations of the European regulator, Banca Generali has already adopted, as of this reporting period, the new methods for calculating Taxonomy KPIs and the new disclosure templates⁵⁵, included in "Annex 1: Disclosure pursuant to Annex VI of Commission Delegated Regulation (EU) 2026/73" to this Report. The new disclosure templates call for reporting data on exposures to Taxonomy-eligible and Taxonomy-aligned economic activities, with the related breakdowns by environmental objective and by type of counterparty. More specifically:

1. Template 0: Summary of KPIs: it includes all information and main KPIs to be disclosed by credit institutions under Article 8 of the EU Taxonomy Regulation;
2. Template 1: Assets for the calculation of GAR (stock) – CapEx/turnover-based: it is the main template for collecting data in million euros on exposures to assets covered for GAR calculation and KPIs regarding off-balance-sheet exposures (in terms of stock), using as weighting factor to calculate exposures the turnover and CapEx⁵⁶ of the financial and non-financial undertakings (preparing a Sustainability Statement);
3. Template 1: Assets for the calculation of GAR (flow) – CapEx/turnover-based: it is the main template for collecting data in million euros on exposures to assets covered for GAR calculation and KPIs regarding off-balance-sheet exposures (in terms of flow, namely new exposures incurred in the year), using as weighting factor to calculate exposures the turnover and CapEx of the financial and non-financial undertakings (preparing a Sustainability Statement);
4. Template 2: GAR sector information (stock) – CapEx/turnover-based: it includes information in million euros on (total environmentally-sustainable) exposures (using as weighting factor to calculate exposures the turnover and CapEx) towards financial and non-financial undertakings (preparing a Sustainability Statement), broken down by the top ten NACE sectors identified based on the exposure (rows 1-10 of the template). In rows 11-13, the reporting undertakings must report information on non-financial undertakings (preparing a Sustainability Statement) related to the above-mentioned sectors and involved in nuclear and fossil gas activities⁵⁷;

⁵⁴ For further details on the Taxonomy-based assessment of the residential immovable properties used as collateral, reference should be made to the following sections of this document.

⁵⁵ Commission Delegated Regulation (EU) 2026/73 allows reporting undertakings to align with the new calculation methods and disclosure templates starting from 1 January 2027 for financial year 2026. It is therefore also permitted to defer the application of the new provisions by one year, continuing to apply the methodologies used in the 2024 disclosure also to financial year 2025.

⁵⁶ In particular, the European regulator requires to duplicate the taxonomic templates, using as weighting factor to calculate exposures both the Turnover and CapEx of the financial and non-financial undertakings.

⁵⁷ Commission Delegated Regulation (EU) 2026/73 has in fact mandated the deletion of Annex XII to Delegated Regulation (EU) 2022/1214 and the related specific templates for reporting on fossil gas and nuclear activities.

5. Template 3: KPI GAR (stock) – CapEx/turnover-based: it includes (percentage) data in terms of stock of exposures calculated based on the data disclosed in Template 1;
6. Template 4: KPI GAR (flow) – CapEx/turnover-based: it includes (percentage) data in terms of flow of exposures calculated based on the data disclosed in Template 1;
7. Template 5: KPI off-balance sheet exposures (stock) – CapEx/turnover-based: it includes (percentage) data in terms of stock of off-balance-sheet exposures (financial guarantees supporting loans and advances, as well as other debt instruments and assets under management), calculated based on the data disclosed in Template 1;
8. Template 5: KPI off-balance sheet exposures (flow) – CapEx/turnover-based: it includes (percentage) data in terms of flow of off-balance-sheet exposures (financial guarantees supporting loans and advances, as well as other debt instruments and assets under management), calculated based on the data disclosed in Template 1.

Taking into account the new reporting method as per Commission Delegated Regulation (EU) 2026/73, with regard to on-balance sheet assets, the Banking Group uses the templates and calculates the **Green Asset Ratio (GAR) KPI** based on the following reporting scopes:

- › **Total assets:** the scope of the Banking Group's assets, required by regulations;
- › **Assets not included in the GAR calculation:** the Banking Group's total assets that are not included in the GAR numerator or denominator: other categories of assets (e.g., goodwill, commodities, etc.), cash and cash-related assets, on-demand interbank loans, derivatives, exposures to undertakings that are not subject to CSRD disclosure obligations, trading portfolio and exposures to central banks, central governments and supranational issuers;
- › **Total GAR assets:** the Banking Group's total assets that are included in the GAR numerator or denominator: exposures included on a voluntary basis, collateral obtained by taking possession, local government financing, exposures to households (of which loans collateralised by residential immovable property, building renovation loans, motor vehicle loans), exposures to financial and non-financial undertakings subject to CSRD disclosure obligations.

Taking into account the new reporting method laid down in Commission Delegated Regulation (EU) 2026/73, with regard to off-balance sheet assets, the Banking Group uses the templates and calculates the following KPIs based on the following reporting scopes:

- › the KPI regarding financial guarantees supporting loans and advances and other debt instruments towards undertakings, that is the ratio of financial guarantees supporting environmentally sustainable economic activities to financial and non-financial undertakings subject to CSRD disclosure obligations;
- › the KPI regarding assets under management, including both individual and collective portfolio management, that is the ratio of assets under management invested in environmentally sustainable economic activities to total assets under management referring to financial and non-financial undertakings subject to CSRD disclosure obligations.

In light of its distinctive characteristics and in line with the previous years, the Banking Group presents its EU Taxonomy disclosure with regard to the scope of prudential consolidation as per Title II, Chapter 2, Section 2, of Regulation (EU) 575/2013.

The Banking Group's Disclosure pursuant to the EU Taxonomy: methodology and main results

In developing its EU Taxonomy reporting methodological approach, the Banking Group considered the most recent regulatory developments, including those introduced by the above-mentioned Commission Delegated Regulation (EU) 2026/73, as well as the clarifications provided by the European regulator⁵⁸.

In continuation with the activities launched in previous years, the Banking Group carried out analyses aimed at providing a disclosure based on timely and granular data from its accounting systems, integrated, where necessary, with data from its management systems, regarding both on- and off-balance sheet assets, in addition to Taxonomy data made available by infoprovers. With reference to financial year 2025, the methodology for calculating KPIs was updated with a view to continuous improvement. In detail, the reporting year's main update referred to the Bank's collection, also through infoprovers, of the necessary data to assess compliance with the criteria laid down by the EU Taxonomy with regard to the activity "7.7 Acquisition and ownership of buildings",

⁵⁸ Most recently, the document published on 17 December 2025 titled "Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation, as amended by the Omnibus Delegated Act, on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (fourth notice)".

which contributes to the climate change mitigation objective. This type of data was recognised as instrumental to assessing the alignment with the EU Taxonomy of loans collateralised by residential immovable property, whereby property collateral was analysed to verify whether it complied with the technical screening criteria set forth by Annex I to Commission Delegated Regulation (EU) 2021/2139. The methodology used is detailed in the specific Annex to this disclosure (Annex 1: Disclosure pursuant to Annex VI of Commission Delegated Regulation (EU) 2026/73).

The table reported below shows in detail Template 0 (Summary of KPIs), which forms an integral part of Commission Delegated Regulation (EU) 2026/73, and the main related results with regard to this disclosure. In particular, this template provides a comprehensive summary of the Banking Group's level of alignment to the requirements of the EU Taxonomy with reference to all KPIs established for credit institutions.

TEMPLATE 0: SUMMARY OF KPIs⁵⁹

DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025		TOTAL EXPOSURE TO TAXONOMY- ALIGNED ACTIVITIES (CURRENCY)		KPI ⁶⁰ (%)	KPI ⁶¹ (%)	% COVERAGE (OVER TOTAL ASSETS) ⁶² (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁶³ (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁶⁴ (%)
		TURNOVER- BASED	CAPEX-BASED	TURNOVER- BASED	CAPEX- BASED		TURNOVER-BASED	CAPEX-BASED
Main KPI	Green asset ratio (GAR) stock	341	347	18.11%	18.43%	10.20%	-	-
		TOTAL EXPOSURE TO TAXONOMY- ALIGNED ACTIVITIES (CURRENCY)		KPI ⁶⁵ (%)	KPI ⁶⁶ (%)	% COVERAGE (OVER TOTAL ASSETS) ⁶⁷ (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁶⁸ (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁶⁹ (%)
		TURNOVER- BASED	CAPEX- BASED	TURNOVER- BASED	CAPEX- BASED		TURNOVER-BASED	CAPEX-BASED
Additional KPIs	GAR (flow)	98	105	10.53%	11.29%	29.52%	-	-
	Trading book							
	Financial guarantees	-	-	-	-	-	-	-
	Assets under management	1,174	1,472	14.72%	18.45%	20.76%	-	-
	Fees and commissions income ⁷⁰							

For the purpose of providing comparative data for financial years 2024 and 2025 (reported below), as recommended in FAQ 4 of Draft Commission Notice of 17 December 2025, it should be noted that KPIs at 31 December 2024 were calculated in accordance with the reporting requirements applicable before the amendments introduced by Commission Delegated Regulation (EU) 2026/73. Vice versa, the KPIs at 31 December 2025 contained in this disclosure were calculated in accordance with the new reporting requirements introduced by Commission Delegated Regulation (EU) 2026/73.

Based on covered assets, which accounted for 10.20% (approximately 1,883 million euros) of the Banking Group's consolidated assets at 31 December 2025, the Green Asset Ratio (GAR) in terms of stock was:

- › 18.11% using the portfolio counterparties' turnover as weighting factor with respect to exposures. At 31 December 2024, this KPI was 3.35%;
- › 18.43% using the portfolio counterparties' CapEx as weighting factor with respect to exposures. At 31 December 2024, this KPI was 3.34%.

⁵⁹ Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2028.

⁶⁰ Based on the Turnover KPI of the counterparty.

⁶¹ Based on the CapEx KPI of the counterparty.

⁶² % of assets covered by the KPI over banks' total assets.

⁶³ In accordance with Article 7(8) of the Regulation.

⁶⁴ In accordance with Article 7(8) of the Regulation.

⁶⁵ Based on the Turnover KPI of the counterparty.

⁶⁶ Based on the CapEx KPI of the counterparty.

⁶⁷ % of assets covered by the KPI over banks' total assets.

⁶⁸ In accordance with Article 7(8) of the Regulation.

⁶⁹ In accordance with Article 7(8) of the Regulation.

⁷⁰ Fees and commissions income from services other than lending and AUM.

As regards off-balance-sheet exposures, KPIs in terms of stock were:

- › for the financial guarantee KPI, 0.00% using the portfolio counterparties' turnover as weighting factor with respect to exposures, and 0.00% using the portfolio counterparties' CapEx as weighting factor with respect to exposures. At 31 December 2024, these KPIs were 0.01% and 0.02%, respectively. The KPI at 31 December 2025 declined as, unlike in 2024, the portfolio did not include any financial and non-financial undertakings subject to CSRD disclosure obligations;
- › for the assets under management KPI, 14.72% using the portfolio counterparties' turnover as weighting factor with respect to exposures, and 18.45% using the portfolio counterparties' CapEx as weighting factor with respect to exposures. At 31 December 2024, these KPIs were 2.07% and 2.50%, respectively.

According to the comparative analysis, KPIs at 31 December 2025 were significantly higher than those at 31 December 2024. This variation was mainly attributable to the different regulatory requirements applicable to the calculation of the KPI denominator. In particular, for financial year 2025, Commission Delegated Regulation (EU) 2026/73 has significantly reduced the types of assets that can be included in the scope of the denominator compared to that provided for under the Regulation applicable to financial year 2024, thereby resulting in higher percentages. By way of example, the regulation applicable to 2024 included, in the calculation of the denominator of the GAR KPI, also other categories of assets (e.g., goodwill, inventories, etc.), cash and cash-related assets, on-demand interbank loans, derivatives, exposures to undertakings that are not subject to CSRD disclosure obligations. Under Commission Delegated Regulation (EU) 2026/73, these categories of assets are instead excluded from the denominator.

The other templates are detailed in the specific Annex to this disclosure (Annex 1: Disclosure pursuant to Annex VI of Commission Delegated Regulation (EU) 2026/73). In line with the previous reporting year, all data disclosed in the Taxonomy templates included in this document are expressed in million euros and in percentage values (%). If the data for a specific cell of the templates is not available, the corresponding cell in the disclosed templates shows a "zero" value in the case of monetary amounts, and 0.00% in the case of percentage amounts. If the data for a specific cell of the templates, as resulting from the calculations, is greater than 0 but not visible in percentage terms or in million euros, the corresponding cell of the templates shows in any case a "zero" value in the case of monetary amounts, and 0.00% in the case of percentage amounts.

ESRS
S1

Own workforce – Enhancement of Human Capital: Employees and Financial Advisors

S1
SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

Banca Generali considers its People to be a fundamental pillar of sustainable growth: as its business model is strongly centred on financial advisory as a growth driver, **the Banking Group's "own workforce"** includes not only the **personnel under an employment contract**, but also **the network of Financial Advisors** authorised to make off-premises offers, who work as freelance professionals.

The Double Materiality Analysis therefore required the active participation of both employees and Financial Advisors — identified as internal stakeholders of utmost importance — with the aim of highlighting any impacts, risks and opportunities for both clusters.

The outcome of the analysis identified two positive impacts, connected to the Core Operational Activities in the value chain and material over the short, medium and long term.

The first **positive impact** regards the **optimal management of socio-economic conditions and the initiatives dedicated to people wellbeing and respect for human rights**. This area includes a good work-life balance, adequate wages, stable employment and the promotion of a healthy and safe work environment, in accordance with industry standards.

The analysis also highlighted a second **positive impact**, generated by a workplace that promotes inclusion, equal opportunities, diversity and fair pay. This is reflected in the level of satisfaction and improved productivity of Banca Generali Group's own workforce, including both employees and Financial Advisors⁷¹.

In addition to the two impacts described above, the 2025 Double Materiality Analysis identified **two material opportunities** related to the topic of Enhancement of Human Capital, namely those linked to Working Conditions and to Diversity, Equity & Inclusion (DEI), thus confirming the strategic role that these aspects play for the Group. This is part of a strengthening path already launched by the Bank through the implementation of the recently developed DEI Guidelines, that define a clear, structured framework to manage the principles of inclusion, equity and enhancement of Human Capital.

The main opportunities identified regard:

- › improving the productivity of the workforce by optimising working conditions and strengthening work-life balance, also through the development of a more modern, effective digital experience;
- › potentially strengthening the Group's retention and its reputation, thanks to the development of structured DEI initiatives, consistently with the approach laid down in the Guidelines, along with the ability to attract talent by enhancing the perception of the Bank as a solid, responsible employer oriented towards people wellbeing, in line with stakeholders' expectations and with the sustainability and social responsibility evolution trends.

As indicated in Section "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model" in Chapter "General Disclosure", these positive impacts⁷² arise from Banca Generali Group's activities aimed at the protection of the wellbeing, diversity and inclusion of its own workforce, in addition to numerous initiatives implemented to engage its Employees and Financial Advisors⁷³.

⁷¹ For further information on the process and outcome of this analysis, see Sections "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities" and "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model".

⁷² See Section "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model" in Chapter "General Disclosure".

⁷³ Banca Generali Group's own workforce consists of employees, non-employee workers and the BG Network, who in this Report are classified as "non-employee workers".

With reference to potential negative impacts connected to Core Operational Activities, Banca Generali Group operates in a highly regulated geography and sector; accordingly, no potential specific risks have been identified, such as forced or child labour. As regards Business Activities in the value chain, the adoption of criteria for excluding investments in companies involved in controversies pursuant to the United Nations Global Compact (UNGC) allows to avoid exposures to risks or impacts connected with human rights.

ESRS
S1

Enhancement of Human Capital – Employees*

BG People Strategy

The year 2025 marked a crucial step in the **transition from the 2022-2024 People Strategy and the definition of the new pillars to be embedded in the next People Strategy**. Training, development, DEI and engagement initiatives played a strategic role in this context, consolidating the results achieved and laying the foundations to face future challenges with determination and innovation.

Activities were planned and adjusted according to the organisational requirements of the different target groups and generations within Banca Generali Group, with the aim of ensuring equal opportunities, enhancing all uniqueness and promoting an inclusive, bias-free work environment. This approach enabled a cross-cutting integration of Diversity, Equity & Inclusion at all strategy levels, from training and policies to corporate culture.

S1-1

Policies related to own workforce

Market evolution, technological innovation and the gradual strengthening of the regulatory framework are deeply reshaping the context in which financial corporations are operating. Within this rapidly evolving scenario, Banca Generali Group recognises people as a key factor in interpreting and governing change. Investing in skill development, talent growth and ongoing support programmes allows to sustain the Group's competitiveness and its ability to efficiently meet new business challenges. Human resources management is thus a long-term strategic lever, geared towards the development of a safe, stimulating work environment attentive to people wellbeing.

In line with the strategic objectives, Banca Generali Group's internal normative system, consisting of policies and regulations, is a key point of reference in the development of the **BG People Strategy**. The following sections illustrate the Group's main documents governing the most relevant aspects of people management and enhancement.

To date, the Banking Group companies operate in Italy, Luxembourg and Switzerland, where a highly structured regulatory and collective bargaining system has long been in place and has gradually incorporated the fundamental labour principles contained in the UN Universal Declaration of Human Rights, in the ILO Convention and in other main documents on the matter issued by Supranational Organisations.

With specific reference to Italy, the Constitution, the Civil Code, the Penal Code, the Workers' Statute and, more generally, the labour laws — together with the provisions of national and company collective bargaining — govern with mandatory effect the various general and specific aspects of the employment relationship (e.g., the prohibition of discrimination, the prohibition of forced or compulsory labour, the protection against child labour, paid working hours, entitlement to at least four weeks of paid annual leave, trade union activity and freedom, the protection of parenthood, the protection of disability, the protection of occupational safety and the provision of social protection instruments and procedures, including the so-called “social safety nets”).

Internal Code of Conduct

Even in the backdrop of the above-mentioned labour law framework, the Banking Group has decided to make specific human rights and DEI commitments within the broader scope of ESG matters. This entailed the adoption of important internal normative documents, such as the **Internal Code of Conduct**. The Banking Group ensures to its employees a work environment free from harassment, discrimination, bullying, mobbing or retaliation and rejects any violation of human rights, including irregular work or exploitation, forced or compulsory labour and child labour, in accordance with the principles of the Global Compact and ILO standards.

The Banking Group strictly respects trade union rights and freedoms, recognising freedom of association and collective bargaining. These fundamental rights are also set forth in the European Social Charter, as well as in the Bank's Internal Code of Conduct and Charter of Sustainability Commitments.

* Disclaimer about the term “Employees”: in this section, the term ‘employees’ is capitalised (‘Employees’) when it refers to members of a specific professional category, so as to distinguish the latter from members of the professional categories of ‘Managers’ and ‘Middle Managers’. The same term is lowercase (‘employees’) when it refers, more generally, to a portion or all of the Group's employees, regardless of the professional category to which they belong.

Sustainability Policy

Under Section “Protection of human rights and DEI”, the Banking Group’s **Sustainability Policy** establishes that the Group’s actions have to be constantly inspired by the principles and values of the United Nations Universal Declaration of Human Rights as regards respect for and protection of human rights, in line with Banca Generali Group’s corporate culture and with a view to concretely contributing to economic and social development in all the areas where it operates.

In addressing these topics, including those relating to occupational health and safety, Banca Generali Group has adopted an approach aimed at eliminating and preventing risks, with the goal of continuously improving the work environment and its performance. As the Bank deems physical integrity of its workforce a key value, it ensures safe and healthy work environments, promotes work-life balance through hybrid and flexible work models (so-called “Smart Working”) and provides additional leave beyond that imposed by the law and the national collective labour agreement.

DEI Strategy

In 2025, the DEI Strategy continued to represent one of the pillars of Banca Generali Group’s initiatives, consolidating the process launched in 2024 and leading the way towards an increasingly inclusive and sustainable corporate culture. The People Strategy focuses on the wealth of uniqueness and the commitment to guaranteeing a diverse, equitable and inclusive work environment, where each person may feel valued, respected and free to unlock his or her potential.

DEI matters are an integral part of a programmatic strategy that permeates all company aspects, from training and development opportunities to policies, organisational processes and day-to-day culture.

The commitment to ensuring that processes and programmes are impartial and offer equal opportunities to all was strengthened in the year, fostering an inclusive, bias-free work environment where all people may freely express themselves.

Crucial to this path was the Circular “DEI Guidelines”, issued in 2024 and disseminated across Banca Generali Group. It has defined the framework of reference for managing DEI principles and their integration into the main HR processes, from recruitment and human resources management to remuneration systems and training and development programmes.

Through this Circular, Banca Generali promotes diversity and equal opportunities, creating an inclusive, discrimination-free work environment that guarantees equity, professional growth and work-life balance.

Banca Generali Group has **zero tolerance for any form of discrimination and sexual or non-sexual harassment** (including bullying, mobbing or any type of discrimination based on gender, gender identity, sexual orientation, ethnicity, age, mental and physical abilities, culture, beliefs, perspectives or any other category protected by law in local jurisdictions). Employees who detect any form of discrimination or harassment (including retaliation) with regard to DEI matters must report it according to the process defined by the **Whistleblowing Policy** circulated within the organisation⁷⁴.

Banca Generali incorporates these principles in all phases of employees’ path, from hiring to termination of the employment relationship, in accordance with the provisions set forth internally by the Internal Code of Conduct, the Internal Rules and the Sustainability Policy, as well as with Italian Legislative Decree No. 198/2006 (so-called “National Code of Equal Opportunities”), the UNI/PdR 125:2022 and the gender equality management system applicable to undertakings that have started or completed the certification process.

⁷⁴ See also Section “S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns” in “ESRS S1 – Enhancement of Human Capital – Employees”.

Gender Equality Certification

Banca Generali is determined to continue to spread a culture based on inclusion and enhancement of uniqueness, consolidating its commitment through the renewal of the **UNI/PdR 125:2022 Gender Equality Certification** obtained in 2024. This achievement is not merely a milestone, but represents an ongoing process promoting responsibility and transparency towards inclusive, fair policies.

To ensure continuity of certification, Banca Generali has adopted a structured system for monitoring and improving its processes. The goal is to guarantee equal opportunities, work-life balance and a governance system attentive to diversity.

The following initiatives were implemented:

- › training programmes on gender equity and inclusion to promote inclusive behaviour and fight stereotypes and bias;
- › workshops and webinars open to the whole company population, focused on six areas — gender, generations, parenthood, wellbeing, inclusion and disability — and enhancement of uniqueness;
- › women's empowerment programmes to consolidate and strengthen the skills of Banca Generali's female colleagues.

These initiatives strengthen Banca Generali's approach: building a culture that translates into tangible, sustainable actions. Training therefore becomes the bridge to achieving a long-lasting cultural change, in line with Banca Generali's values.

Through the General Principles for Gender Equality, Banca Generali is committed to:

- › fostering the dissemination of tools and processes that support the organisation's ongoing progress in gender equality;
- › promoting awareness and sensitisation spaces to allow everyone to express their identity without prejudice or discrimination;
- › encouraging gender equality through company policies, initiatives, and practices to reduce gender gaps;
- › offering continuous training at all levels on diversity, equity, and inclusion topics to enhance all uniqueness;
- › allocating specific resources to achieve gender equality goals, with a view to continuous improvement;
- › ensuring full accessibility to information, services, tools, and company spaces for a people-centred work experience.

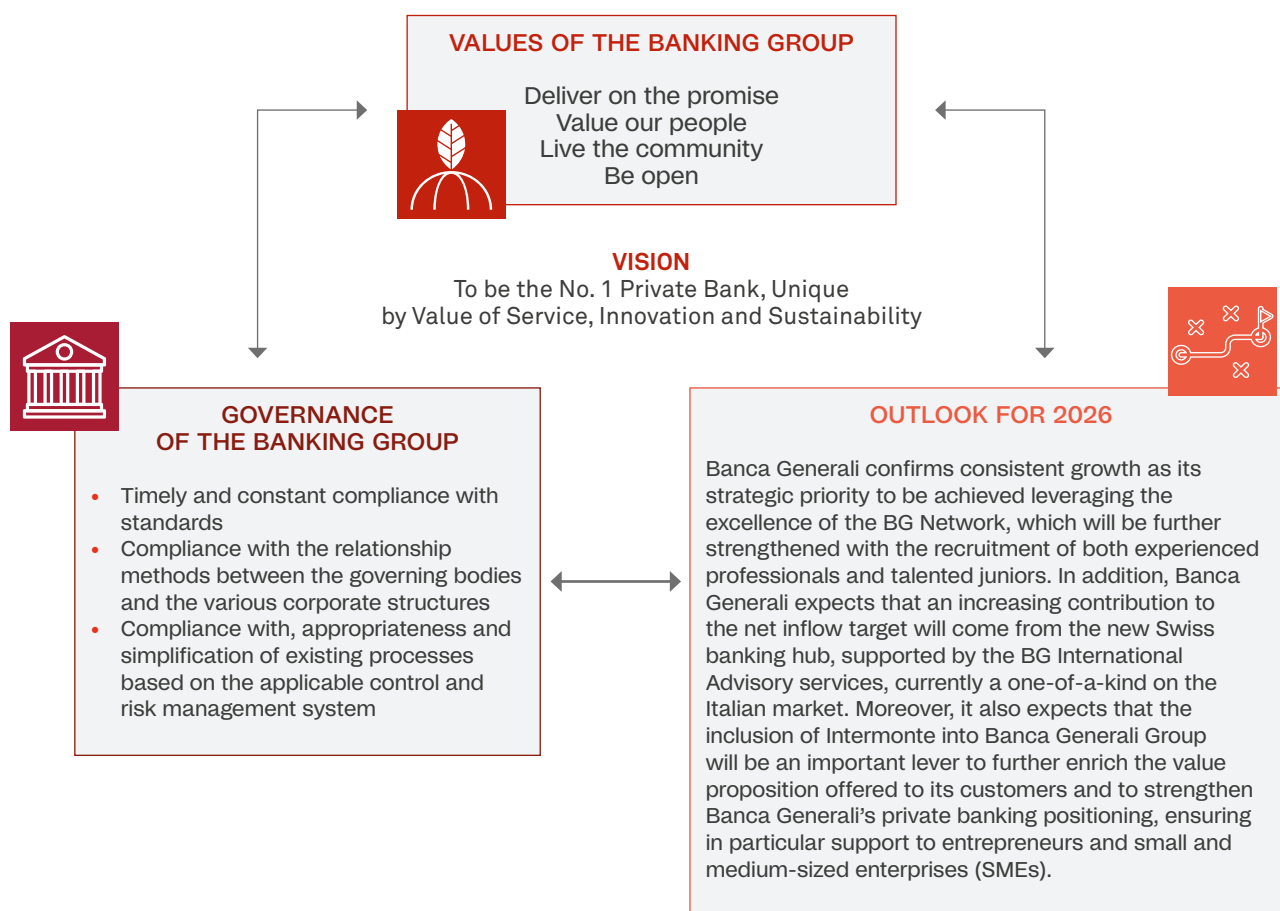
In 2024, the Operating DEI Committee was set up: this body is tasked with supervising the implementation of the DEI strategy, monitoring KPIs, proposing training and awareness-raising initiatives, ensuring the integration of DEI matters into key processes, overseeing the application of policies and managing the **Certification**.

Remuneration Policy

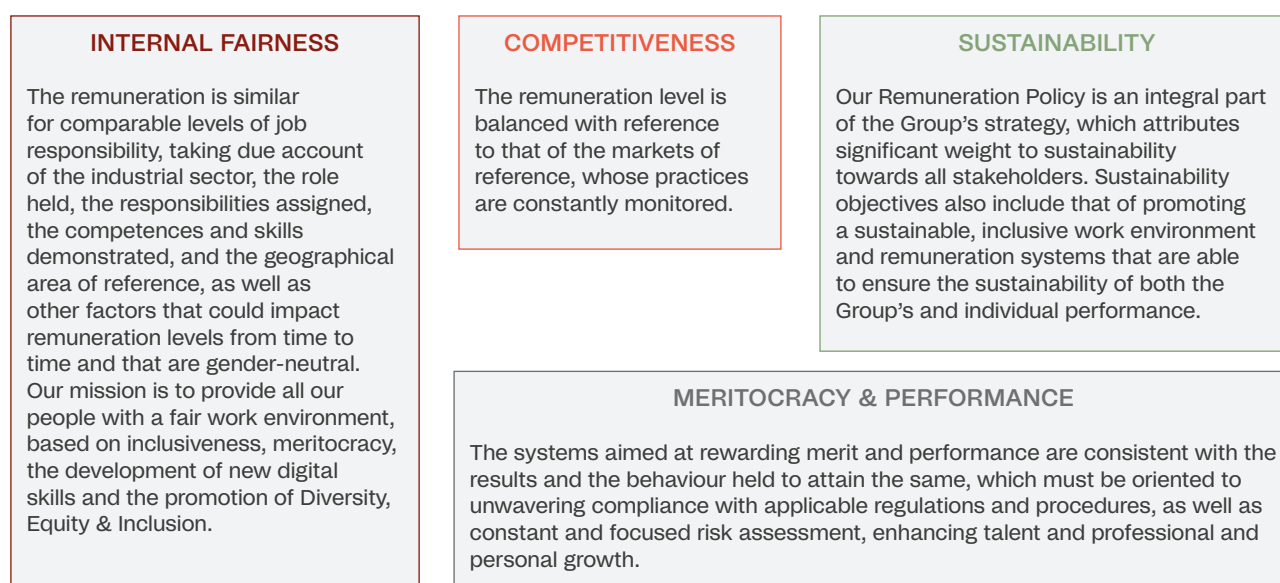
The **Remuneration Policy**⁷⁵ is a key tool for the Group strategy, designed to ensure the best possible alignment between the interests of shareholders, investors, customers, suppliers, employees and all stakeholders, through careful risk management and the pursuit of long-term strategies.

⁷⁵ For further information on remuneration policies, see the Report on Remuneration Policy and Compensations Paid and Section "GOV-3 – Integration of sustainability-related performance in incentive schemes".

In this regard, the remuneration strategy applied to personnel and, in particular, to managers of Banca Generali Group is determined in compliance with:



Any action taken as part of the personnel remuneration policies is also informed and shaped by the following principles:



The Group's constant commitment to eliminating the pay gap continues through an integrated approach that also includes actions focused on remuneration policies and broader initiatives to provide effective support to women in accessing professional opportunities and in their career paths.

In this regard, in order to promote a culture based on gender equality and equal pay, the definition of individual remuneration levels is of course gender neutral. To ensure the neutrality of remuneration policies, with the support of the Remuneration Committee, Banca Generali S.p.A.'s Board of Directors analyses the gender-neutrality of remuneration policies and verifies the gender pay gap and its evolution over time.

Banca Generali Group has implemented a systematic process of analysis and measurement of the gender pay gap for the same task or tasks of equal value (Equal Pay Gap) and the gender pay gap throughout the organisation, regardless of roles (Gender Pay Gap), through a methodological approach based on regression⁷⁶.

To facilitate the implementation of gender-neutral policies, assess their efficacy and thoroughly monitor the application of pay equality criteria in accordance with gender neutrality, in 2023 Banca Generali Group was constantly committed to further developing the analyses and methodology used. In line with market best practices, it added a regression analysis model that, in addition to professional family and organisational level, contemplates the objective factors that are most significant in terms of salary gap and that are gender-neutral and representative of local remuneration policies, such as management responsibility and performance assessment.

This analysis was instrumental to the development of specific measures to mitigate any gaps identified. The mitigation actions included initiatives aimed at positively influencing gender balance and equal pay, in line with the objectives defined by the Group's strategy and with the promotion of the diversity and inclusion values. The remedial actions that could be implemented or refined included reviewing recruitment processes, defining programmes to accelerate women's careers, developing mentoring and sponsorship paths and implementing awareness-raising programmes on Diversity matters and unconscious bias.

Health and Safety in the Workplace

According to the provisions of Italian Legislative Decree No. 81/08, Banca Generali S.p.A. and Genefid S.p.A. adopt all the general measures to protect the occupational health and safety of their workers as per Article 15 of said Decree.

The commitment takes into account the legislation and specific legal requirements applicable in each country, and applies to all the activities/employees of the company, as well as to any supplier or natural person under the Company's supervision. These measures are supplemented and implemented also through the additional provisions adopted and implemented by the company pursuant to Articles 18 and 30, summarised as follows:

- › Ethical Code for Suppliers of the Generali Group;
- › Generali Group Code of Conduct;
- › Corporate H&S procedures.

Internal circulars⁷⁷ also define all the specific procedures to be adopted for managing all aspects envisaged on this matter.

S1-2

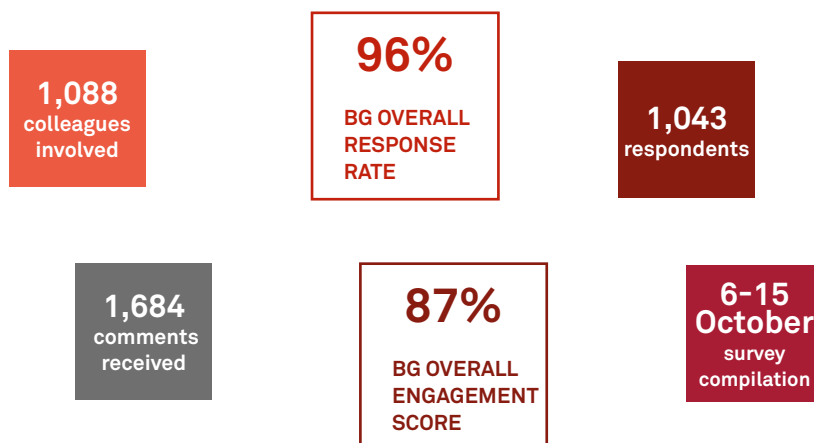
Processes for engaging with own workforce and workers' representatives about impacts

Following the end of the 2022-2024 Strategic Plan, the year 2025 marked the onset of a new phase for Banca Generali Group, geared towards consolidating the results it has achieved and laying the foundations for a long-term sustainable and inclusive growth. In an increasingly dynamic, excellence-oriented business context, listening to people and people engagement continue to be crucial drivers for the Group's success and competitiveness. They are not only good governance practices, but also strategic tools able to positively influence corporate culture, organisational wellbeing and innovation capacity.

⁷⁶ For further details, see Section "S1-16 Remuneration metrics (pay gap and total remuneration)".

⁷⁷ Circular "Management of obligations in the field of health and safety at work" and Guidelines on Workplace Layout.

In the year, numerous initiatives contributed to strengthening the sense of belonging and the active engagement in corporate life, encouraging constant dialogue between the Bank and its people. One of the key tools to listen to people is the **Pulse Survey**, which gauges the corporate mood and gathers information on perceptions, expectations and suggestions to guide future actions. In detail, the 2025 Pulse Survey was managed by the Chief People Office structure, with support from a dedicated team and from the Chief People Officer. The Survey's results provided valuable insights to improve processes, boost engagement and consolidate an inclusive and equitable work environment that encourages diversity.



At Banca Generali Group level, the 2025 Pulse Survey reported a response rate of 96% (unchanged compared to the 2024 Generali Global Engagement Survey and up +2% on the 2023 Pulse Survey), and an engagement score of 87% (up +1 percentage point compared to the Generali Global Engagement Survey and unchanged with respect to the 2023 Pulse Survey) — an important figure that testifies to people's very strong sense of belonging.

Surveys are a method for constantly listening to people and monitoring their engagement level on an ongoing basis. They are a strategic tool that translates feedback into tangible guidelines, providing valuable insights for developing new improvement plans and operational actions based on the real needs expressed by Banca Generali Group's people.

Based on the Survey's findings, Banca Generali Group aims to accelerate its path towards excellence, supporting its strengths and promptly addressing areas for improvement, so as to steer the initiatives and strategic choices of the coming years.

The main areas of strength identified by the 2025 Pulse Survey included a constantly increasing engagement level, with a growing number of colleagues who would recommend the organisation as an excellent place to work. The hybrid work model resulted to be efficient, well-balanced and appreciated. The Survey also highlighted a good level of workplace wellbeing, testifying to the attention that the Group pays to these topics and the efficiency of the wellbeing initiatives it implemented.

Results also showed a strong drive towards innovation: the adoption of new technologies increased, with a growing number of colleagues using AI and generative AI tools in their daily work.

As excellence will be the key topic in 2026, the Bank will further invest in professional growth opportunities, expanding the development possibilities offered to the Group's people, continuing to allocate resources to technical training to consolidate and support targeted growth paths. In addition, it will organise training programmes dedicated to People Managers — a key role within the organisation — and strengthen the collaboration among structures, so as to foster synergies and improve teamwork, which are essential elements to meet future challenges and support organisational excellence.

In 2026, cascading meetings will be organised as usual with all the Banca Generali Group teams in order to share the survey's overall findings and set development priorities. Each team will have the possibility to identify the areas for improvement and propose tangible initiatives. This approach will ensure a direct, active engagement, fostering the participation of the entire population and the translation of ideas into concrete actions supporting organisational growth.

Banca Generali Group recognises the central role played by the development of a solid corporate culture and a strong sense of belonging, which are considered fundamental drivers for the organisation's growth and success. Shared values, common goals and the recognition of people's contribution foster motivation and a climate based on trust and collaboration.

Numerous opportunities for dialogue, discussion and sharing were therefore created in 2025. The most significant initiatives include:

Business Aperitif



Events dedicated to Banca Generali Group's managers that are designed to analyse current social and market trends. These meetings facilitated strategic alignment through direct exchanges with internal and external experts, creating opportunities for in-depth analysis and high-level networking.

Team building and outdoor activities



Activities aimed at increasing collaboration and mutual knowledge among colleagues. These initiatives offered, among other things, occasions for teamwork, outdoor sessions and opportunities for informal discussions, all aimed at consolidating the sense of belonging and internal cohesion.

Onboarding



Updated in 2025, the onboarding programme supports new colleagues in their integration into the Company. Its main new features are: welcome message, internal self-presentation video, live sessions with Top Managers, training modules on markets and financial instruments, and induction focused on compliance and anti-financial crime processes and controls. In addition, the new Buddy Program was also introduced: each new recruit is assigned a "Buddy", who serves as a point of reference for operating within the different structures⁷⁸.

Diversity, Equity & Inclusion



Great attention was paid to maintain the UNI PDR 125:22 Gender Equality Certification and to develop initiatives aimed at promoting an inclusive culture. Particular focus was placed on the topics of Gender, Wellbeing and Parenthood, with a view to creating a fair work environment that values diversity.

In-depth sessions focused on Sustainability



These activities continued in 2025 to raise awareness among the entire company population of sustainability matters. The sessions delved into ESG-related interconnections and relations, with participation of internal and external experts, fostering greater environmental awareness and responsibility.

Wellbeing programmes



Initiatives and training programmes that are dedicated to employees' physical and mental wellbeing, such as the new "BG InForma" hub, entirely focusing on wellbeing. In addition, to ensure care and attention to health, all employees were given the possibility to access the company gyms in Milan and Trieste, including remotely through a digital platform.

⁷⁸ For further information on the Buddy Program, see Section "S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

Processes to remediate negative impacts and channels for own workers to raise concerns

S1-3

The Bank had adopted in 2023 and then updated in 2025 a new Whistleblowing Policy — publicly available on its corporate website — governing the whistleblowing procedure.

In line with the above-mentioned Policy, reports must concern negligent, unlawful, irregular or unfair conduct — in violation of the law, the Internal Code of Conduct (prepared in line with the principles of the Generali Group Code of Conduct) or any other internal normative document — for which there is reasonable suspicion or of which a person has become aware in the conduct of his or her functions.

All reports are processed and classified with the highest level of confidentiality, and the confidentiality and protection of personal data are always ensured. Whistleblowers acting in good faith are also guaranteed and protected against all forms of retaliation, discrimination or penalisation.

The Bank provides the Whistleblower with formal, well-founded responses, which must be the result of a thorough assessment of the facts. It also provides a feedback to the report within an appropriate timing, as set forth by the Policy and regulations.

Investigations following reports are conducted in a professional manner, in accordance with all applicable rules on the rights of defence of the persons concerned. The corrective measures identified are monitored to ensure they are effectively implemented on the agreed timescales.

Any breaches of high severity, concerning particularly significant unlawful conduct, in view of the underlying behaviour and/or the professional concerned, must be immediately reported to Top Managers.

Employees are informed about the available internal whistleblowing channels through communication and training initiatives.

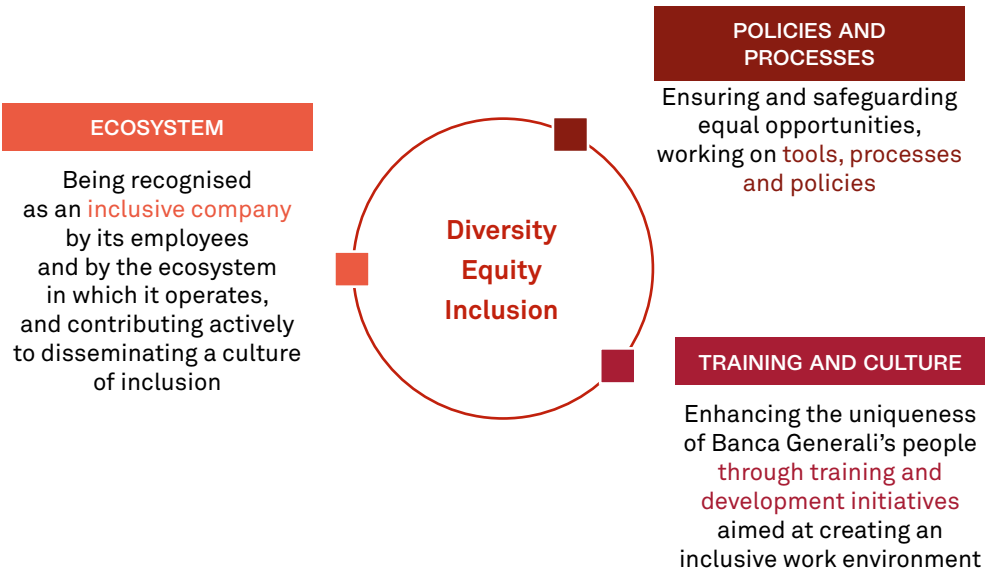
Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

S1-4

DEI Strategy and initiatives

DEI matters are an integral part of a programmatic strategy that permeates all company aspects, from training and development opportunities to policies, organisational processes and day-to-day culture.

A PROGRAMMATIC DEI STRATEGY



In 2025 as well, the Banking Group reiterated its commitment to promoting an inclusive culture through consolidation of its 2024 DEI Strategy and the implementation of awareness-raising initiatives and campaigns aimed to support the Strategy's six areas of action — Gender, Parenthood, Parenthood, Inclusion, Wellbeing and Disability — with the aim of promoting awareness, listening and tangible actions at all levels of the organisation. These initiatives involved all Banca Generali Group companies, including the newly acquired Intermonte SIM and Intermonte Partners SIM.



In 2025, the DEI Roadmap was shared across the Group: it contained numerous initiatives related to the six strategic areas of action to promote an inclusive and sustainable culture. Actions included: disability, inclusion and wellbeing projects, coaching and mentoring programmes, female empowerment, campaigns against gender violence, networking events and parenting programmes, in addition to collaboration with external partners.

2025 DEI ROADMAP BANCA GENERALI GROUP INITIATIVES

PARENTHOOD

Parenting Program: 3 parenting workshops organised with WISE GROWTH

Webinars: in-depth insights on WELFARE and on parenting support measures

Initiatives supporting new parents



DISABILITY

"Sono ancora io, tu lo sei per me?" (It's still me, are you still yourself with me?) workshop on cancer with ANDOS

Disability Week – December 2025



GENERATIONS

Buddy Program



DIVERSITY, EQUITY & INCLUSION

GENDER



Together: AI & BIAS week with Darya Majidi

WeLearn Week: "La violenza in punta di dita" with Fondazione Libellula

E-learning: gender equality

E-learning: whistleblowing

Webinars and workshops: together against gender-based violence

WELLBEING



WeLearn Week: focus on the brain's potential with Michela Matteoli

BG InForma: holistic wellbeing project that starts with 6 webinars (September 2025-February 2026) on physical and psychological well-being

INCLUSION



2025 Pride Month workshop: Inclusive Leadership Lab for People Managers

› GENDER

For Banca Generali Group, gender equality is an essential value and a pillar of its corporate culture. Ensuring equal opportunities is fundamental to promoting inclusion, professional growth and wellbeing, creating a fair and meritocratic work environment.

Accordingly, the selection and recruitment processes are based on clear principles of diversity and inclusion. Each shortlist must include at least 25% of candidates — whether internal or external — belonging to the gender less represented in the specific selection process. At the same time, particular attention is paid to young talent, thanks to a KPI that ensures that **over 50% of new hires are under 35**.

Respect for the diversity of the company population translates into an overall balance between male and female individuals, in addition to equal treatment at all stages of their professional careers — from the definition of career paths to remuneration policy. This commitment is formalised in the 2024 Circular, which establishes the centrality of these principles in people management processes.

As regards the strategic area of Gender, impactful initiatives were organised to fight stereotypes and promote equity. Worth of mention were the **“AI & Bias”** workshop, which delved into the topic of AI bias, and the workshop on **cyber violence “La violenza in punta di dita”**, focused on raising awareness of online violence.

On the occasion of International Day for the Elimination of Violence Against Women on 25 November, Banca Generali Group renewed its commitment to promoting a culture of respect and shared responsibility.

The main initiatives implemented were:

- › **Self-defence workshops:** practical and educational sessions, open to male and female colleagues, to provide useful solutions for managing risky situations and promoting safety and prevention.
- › **Webinar with Fondazione Libellula foundation**, an online meeting dedicated to gender-based violence, with a focus on gender alliances as a tool for shared responsibility.
- › **Ambassadors against gender-based violence:** two internal people, trained with Fondazione Libellula, available in a confidential manner to listen to and support female colleagues who are experiencing or have experienced domestic violence, offering practical and humane support.

As mentioned above, **programmes dedicated to female empowerment** were also launched, with the aim of consolidating and enhancing the skills of Banca Generali Group's female colleagues.

The most important were:

- › **Master's “Women at the Top” with Politecnico di Milano**, which was attended by female professionals who also fell within the scope of Key Personnel in the 2024/2025 and 2025/2026 editions to develop high-level managerial skills.
- › **Leadership Program**, in collaboration with Spencer Stuart — an assessment path addressed to Managers, aimed to strengthen their leadership capacity and strategic vision.
- › **Executive Coaching and 1:1 coaching programmes**, dedicated to female managers/middle managers, to support individual growth and the achievement of professional objectives.
- › **External Mentorship Program with Valore D**, dedicated to middle talent, and **internal Mentorship Program**, aimed at skills exchange.
- › **participation in Development Centers**, preparatory to the **Next Gen path**, aimed at preparing high-potential under-35 male and female colleagues for future roles of responsibility.

In addition, **e-learning** courses on gender equality and whistleblowing were promoted to strengthen the organisation's culture of transparency and inclusion. These courses were dedicated to all employees of Banca Generali Group.

In order to enhance female talent, several partnerships were confirmed in 2025 as well:

- › **Italian Banking Association (ABI):** Banca Generali Group is among the signatories of important initiatives organised by the Italian Banking Association to promote diversity and inclusion. These include: the ABI Charter “Donne in banca” (Women in Bank) on gender equality; the project “Una donna, un lavoro e un conto” (A woman, a job and an account) to support female economic independence; the “D&I in Finance” programme to promote inclusive policies within the finance sector through training, networking and sharing of best practices.

- › **Women&Tech:** Banca Generali Group supports the Association for Women and Technology, which enhances female talent in innovation and fights against gender stereotypes. As part of this support, some female BG Managers mentored young female professionals.
- › **WEPS (Women's Empowerment Principles):** Banca Generali Group is a signatory of the Women's Empowerment Principles⁷⁹. These UN principles set out the business guidelines on which to base tangible actions for gender equality and female empowerment.
- › **Valore D:** Valore D is the leading association of companies in Italy, founded in 2009 to promote diversity, equity and inclusion (DEI) within organisations and in the civil society. Banca Generali Group is an ordinary member of Valore D and actively supports the association's initiatives. Inspiring Girls and Wanter were among the most significant initiatives developed by Valore D in which the Bank participated:
 - bringing female professionals to middle- and high-schools as role models, with vocational sessions of about 2 hours;
 - promoting female career paths, fighting gender stereotypes and bias.
- › **PARI:** PARI is an association founded to **combat gender-based violence** and promote cultural change that starts at the workplace and extends to civil society. Banca Generali Group became a member at the end of 2025 and will participate in the network of companies and organisations that work together to prevent and combat gender-based violence through concrete actions, raise awareness and educate people through webinars, workshops and campaigns, define policies and guidelines for safe and inclusive workplaces, and monitor the phenomenon through a permanent observatory.

› GENERATIONS

Banca Generali Group believes it is important to create constructive dialogue among different generations, encouraging the exchange of experiences and perspectives to ensure a virtuous convergence and promote an inclusive culture.

To this end, Banca Generali Group launched the **Buddy Program**, an initiative designed for new recruits. They will be assigned a “Buddy”, an expert guide who will support them during their first 90 days of induction, thus facilitating operational orientation and the building of internal relationships.

The main objectives of the programme are as follows:

- › supporting new colleagues during their induction, providing practical information and accelerating their understanding of the corporate culture;
- › enhancing the experience of senior colleagues, recognising their skills and promoting intergenerational networking.

In 2025, male and female colleagues from across all the Bank's departments participated in the programme, which is part of the Training, Development and DEI strategy, alongside engagement and inclusion initiatives.

Banca Generali Group considers the capability to recognise, enhance and retain the diverse uniqueness of its Human Capital to be a strategic asset, closely linked to the ability to attract new talent. Accordingly, the Bank presents itself as a dynamic brand focused on digital innovation, attentive to the quality of working conditions and committed to promoting equal treatment, equal opportunities and inclusion.

› PARENTHOOD

In 2025, Banca Generali Group continued to focus on parents, recognising their central role in personal and professional life. Supporting those facing parenthood challenges means promoting work-life balance, reducing stress and creating an inclusive environment that values people in their entirety.

The main initiatives implemented were:

- › **Parenting Program:** launch of a parenting programme, through three themed workshops — one aimed at fathers, one at mothers and one on family alliances. The meetings, led by experts, included interactive and discussion sessions, with the aim of providing practical tools to address educational challenges and strengthen family dialogue;
- › **webinars to thoroughly explore and disseminate welfare benefits and measures supporting parenthood:** an information session on the opportunities offered by corporate welfare

⁷⁹ www.weps.org.

and public institutions to promote greater awareness and use of measures in support of parents;

- › **initiatives for new parents:** personalised coaching sessions designed to provide supportive listening to new parents, with a particular focus on the needs of those experiencing the first months of their child's life;
- › **the webinar “La violenza in punta di dita”:** as part of the “WeLearn Week” training event, an initiative focused on cyber violence against teenagers was organised, with participation of a female expert and a Q&A session for parents. This initiative aimed to raise awareness of cyber-security and provide prevention tools.

› WELLBEING

In 2025, Banca Generali Group launched **BG InForma**, a project for people's wellbeing and quality of life, in line with the DEI principles. Webinars were organised on healthy habits, sleep, nutrition, physical activity and a special focus on the brain's potential to prevent neurodegenerative diseases and enhance cognitive abilities. The programme will continue in 2026, with initiatives on smoking prevention and stress management, confirming wellbeing as a pillar of the sustainability strategy.

› DISABILITY

Promoting awareness of disability means creating an inclusive and responsible environment. In this regard, **Disability Week** is an annual event to reflect, learn and act together, as well as an opportunity to share experiences and gain new perspectives.

In 2025, on the occasion of International Day of Persons with Disabilities, Banca Generali Group promoted several initiatives:

- › **“Abbraccia le tue Abilità”** (Embrace your abilities), organised in collaboration with Generali Group, shared the experiences of internal and external speakers and best practices to develop a culture where all people can unlock their potential building on their uniqueness. The session was made accessible thanks to the use of subtitles and international sign language interpreting.
- › **“Affrontiamo insieme le malattie neurodegenerative”** (Let's tackle neurodegenerative diseases together), in collaboration with the Humanitas Foundation, was dedicated to the prevention and management of these conditions, with particular attention to the role of caregivers.
- › **“Sono ancora io, tu lo sei per me?”** (It's still me, are you still yourself with me?), a **webinar on cancer**, designed to provide useful tools for understanding how to effectively support colleagues who are facing these experiences, promoting an empathetic and inclusive approach in everyday working life.

› INCLUSION

In 2025, **guidelines on the inclusive language etiquette** were disseminated, together with internal communications, to raise awareness of the importance of words and behaviour that promote respect and equal opportunities. In addition, a webinar was held for all People Managers, led by psychologists and experts, to explore crucial topics such as psychological safety in teams, the role of bias, stereotypes and prejudice in business processes, and strategies for developing inclusive and conscious leadership.

In terms of inclusion, as in previous years, in 2025 space and attention were also devoted to **celebrating Pride Month**, with the involvement of the company population in the parade and the organisation of a dedicated webinar aimed at raising awareness of LGBTQ+ matters and encouraging open and respectful dialogue.

In 2024, Banca Generali Group had also created some **Quiet Rooms**, multifunctional spaces at the offices in Milan, Mogliano Veneto and Trieste conceived for meditation, prayer, emotional decompression and for new mothers. They offer privacy and comfort, with ad-hoc furniture, a fridge for storing milk and antistress items. Group company buildings are subject to constant checks to ensure compliance with **specific architectural constraints** and with the **need to provide all employees with suitable workstations**. For instance, in HQ offices parking spaces are guaranteed in the immediate vicinity reserved for people with disabilities or employees with significantly reduced motor ability⁸⁰, in addition to workstations designed for specific needs⁸¹.

⁸⁰ Including temporary disability or on the indication of the occupational medicine physician.

⁸¹ For further details, see Section “S1-4: Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches” in “ESRS S1 - Enhancement of Human Capital - Employees”.

Work-life balance initiatives

People's wellbeing and work-life balance remain central elements of Banca Generali's strategy, which recognises them as a key factor in its employees' quality of life and in creating a positive and lasting impact on their overall wellbeing.

The so-called Smart Working Next Normal — the organisational work model introduced in April 2022 through specific trade union agreements — was extended throughout 2026 and continued to be fully recognised as an opportunity for increasing employee satisfaction and improving awareness of the importance of work-life balance. In the year, nearly **all employees falling within the eligible corporate functions** (e.g., all functions in Italy with the exception of front-end functions operating with customers and logistics support functions) **signed the agreement and used this new work model**. In line with the sustainability and CSR principles, the aforementioned renewal agreement confirmed the use of remote working all Fridays, as well as throughout August and around Christmas and year-end holidays.

The Smart Working Next Normal model is intended as a new approach to the way of working and rests on a **"hybrid" model of work organisation** applied to Employees and Middle Managers, based on the voluntary choice of the employee (formalised by individual agreement) to work remotely⁸² up to a maximum of 3 days a week and 12 days a month, according to a planned schedule defined precisely and in a timely manner by the employee's own manager.

Other fundamental aspects of the Next Normal agreement concern:

- › **the right to disconnect**, which, for example, is made explicit by restricting meetings to the working hours;
- › **the provision of meal vouchers even on remote working days** (this is an improvement on the provisions of the National Collective Labour Agreement for the Credit sector);
- › **a one-off bonus of 410 euros gross in 2025**.

In addition, in order to give the utmost importance to work-life balance and in application of the DEI principles, the agreement states that employees may be entitled to an additional number of remote-work days in the following cases:

- a) female employees in the three years following the end of the maternity leave set forth by Article 16 of the Unified Text of legislative provisions on protection and support to maternity and paternity as per Italian Legislative Decree No. 151 of 26 March 2001;
- b) female and male employees in the three years following the end of the parental leave set forth by Article 32 of the Unified Text of legislative provisions on protection and support to maternity and paternity as per Italian Legislative Decree No. 151 of 26 March 2001;
- c) female and male employees with children with disabilities pursuant to Article 3, paragraph 3, of Law No. 104 of 5 February 1992;
- d) female and male employees, including sole parents, with a dependent child under 14;
- e) female and male employees identified by the occupational medicine physician as "fragile" pursuant to the Decree of the Italian Ministry of Health of 4 February 2022, as affected by particularly severe chronic diseases with poor recovery after medical treatment;
- f) female/male employees with a disability rating equal to or above 46%;
- g) female/male employees victim of domestic abuse;
- h) female/male employees suffering from cancer diseases;
- i) female/male employees subject to life-saving treatments;
- j) female/male employees certified under Article 3, paragraph 1, of Italian Law No. 104/1992;
- k) female/male employees who have requested an assessment for the purpose of certification as per Article 3, paragraph 1, of Italian Law No. 104/1992 and are awaiting for the final official decision;
- l) female/male employees who care (caregivers) for a spouse, a relative or a close relative of the first degree who suffer from a certified severe disability pursuant to Article 3, paragraph 1, of Italian Law No. 104/1992;
- m) female and male employees with a dependent child under 16 who has special educational needs (SENs) or specific learning disorders (SLDs).

With regard to other work-life balance developments, the agreements for renewing the company supplementary contract (CIA) — applicable within Banca Generali and Generfid — signed on 28 May 2025 introduced new important provisions and streamlined the previous ones, in addition to the already wide range of provisions on the matter set forth by the law and the National Collective Labour Agreement for the Credit sector. In particular, the following measures were implemented with a view to DEI promotion:

- › **flexible working hours**: flexible working hours were set up (for non-front office HQ functions and for functions not organised in shifts) to allow full-time Employees to enjoy broad flexibility

⁸² From their own home or from another location agreed with the manager.

in the time of starting and ending work, respecting the amount of working hours per day and extending to all sites full flexibility in lunch break time. Specific flexible working hour schemes were also introduced for bank branches and the Contact Centre, taking into account their function as physical/virtual front office;

- › **mandatory part-time work** for the following needs:
 - birth/adoption of children (up to 14 years of age), with a duration of up to 8 total years of part-time work;
 - serious health, personal and/or family reasons, with a duration linked to the reasons for the request.

These provisions are applicable — within percent limits — to all company functions, with the exception of those in contact with the public and those with a limited number of personnel;

- › **paid leave for medical examinations/diagnostic examinations** that cannot be carried out outside of working hours (adequately documented);
- › **possibility of providing self-justification for absence due to illness** not exceeding 1 day (except for specific situations, such as illness near a leave);
- › **paternity leave**: five additional days are added to the ten-day leave mandatory under Italian Legislative Decree No. 151/2001 (for a total of 15 days), paid by the Company. Pursuant to the legislation, the leave may be taken in the two months preceding the estimated date of delivery and in the five months following the date of the birth;
- › **parental leave – financial additional allowance**: to support new parents and facilitate the achievement of family-work life balance, the Company provides additional financial support on top of the allowance paid by the Italian National Social Security Institute (INPS) for periods of continuous parental leave, as follows:
 - › 10% for the first month of parental leave;
 - › 5% for the second and third month of parental leave.

In addition to the above provisions, in the event of parental leave being taken by a “single parent” (as defined by INPS, due to the death or serious illness of the other parent, abandonment or non-recognition of the child, sole custody following a court ruling), an additional 10% financial allowance is granted also for the fourth, fifth and sixth month of parental leave. This financial allowance is extended to female workers who are included in protection programmes following domestic violence, in order to offer practical support and help with childcare needs;

- › **child illness**: in the event of illness of children up to the age of 10, unpaid leave is granted for a number of days corresponding to the number of days the child is ill;
- › **induction of children to a daycare centre/nursery school**: 5 days of unpaid leave per year are granted for induction of children in preparatory classes (daycare centres/nursery schools), including in case of adoption and custody;
- › **caregiving leave**: every worker is entitled to five days of paid leave per year, to be used in the following (certified) cases:
 - hospitalisation of children up to the age of 14;
 - daily hospitalisation, hospitalisation and discharge of a parent or first-degree relative over the age of 75.

In addition, the following important provisions were also introduced with reference to the LGBTQ+ community:

- a) **health guarantees: extension to the children of cohabiting partners** (stepchildren) not covered by the legislation on civil partnerships and de facto couples. The extension refers to the so-called “social parent”;
- b) **psychological support in relation to assisted reproduction, sexual orientation and gender identity**, with provision for reimbursement of psychotherapy under health guarantees;
- c) **equivalence to marriage and civil partnership of cohabiting couples (both heterosexual and homosexual), provided they are documented**;
- d) **marriage leave**: recognition of marriage leave as per the National Collective Labour Agreement for the Credit sector to male and female workers who are civil partners or whose marriage was concluded abroad;
- e) **extension of leave for death, serious illness/serious family reasons to de facto couples, including same-sex couples**, provided that cohabitation is adequately documented;
- f) **extension of leave for child illness to the employee's cohabiting partner** (including of the same sex) with children under the age of 3;
- g) **adoption leave**: option to grant a one-off special paid leave benchmarked on the INPS allowance (30%) for 4 months and up to 3 years of the child's age in the event of a request for adoption of a minor child made by a cohabiting partner; including same-sex partners;
- h) **additional cases for advance payment of the termination indemnity**: advances on termination indemnity for health expenses, treatments and non-routine surgeries for family members and for the purchase/renovation of a first home for children are extended to cases of

illness of a cohabiting partner and the latter's children, as well as for the purchase/renovation of a home for the children of a cohabiting partner;

- i) **paid leave for women victims of gender-based violence increased to 6 months**: pursuant to Article 24 of Italian Legislative Decree No. 80/2015 and the Memorandum of Agreement signed on 8 March 2017 between the Italian Banking Association (ABI) and trade unions.

Banca Generali employees in Italy can also benefit, for the use of **childcare facilities both within the Company and private facilities** with which the latter entered into special agreements, of the favourable terms applied to Generali Group staff (discounted rates and the payment by the Company of annual subscription fees).

Among the initiatives dedicated to employees, with a view to enhancing generational turnover in favour of the Bank's long-term sustainability, the Company allows workers who are less than five years away from retirement and who explicitly request it, the possibility of consensually leaving the company earlier.

› BENEFITS & WELFARE

All Banca Generali Group employees enjoy a series of benefits, the cost of which is normally fully borne by the Company.

More specifically, the benefits offered to employees based in Italy relate to numerous aspects of welfare and, in light of their completeness and widespread adoption, **make the Group a best practice** both within and outside the financial sector. These benefits refer to:

“PURE” WELFARE

Employees under permanent contract receive annual one-off amounts (differing for executives and other personnel) to be used through the MyWelfare Portal for the reimbursement and/or purchase of the services described above. The carry forward principle also applies to these amounts.

PREFERENTIAL-RATE MORTGAGES AND LOANS

All employees under permanent contract have also access to preferential-rate mortgages and loans. Since 2022, in light of the sudden, considerable increase in the ECB rates, all eligible employees were offered the option of extending their mortgages and, in implementation of the provisions of the 2023 Budget Law, to renegotiate or extend their mortgages applying the fixed IRS rate. In addition, to further mitigate the impact of mortgage costs, Banca Generali has planned to introduce a rate cap of 3.25% on the variable-rate mortgages contracted before 31 December 2023 and for future mortgages contracted under the relevant trade union agreements. This measure is effective as of 1 January 2024 and may be applied to employees who have already benefited from previous renegotiations.

COMPANY BONUS WITH WELFARE OPTION

Thanks to the opportunities offered by tax legislation, since 2016 (for Executives and Employees) it has been possible to “convert” the company cash bonus into welfare, thereby creating the so-called “welfare credit”. As of 2019, through the introduction of the Generali Welion Portal — which was significantly upgraded in 2025 and changed its name into “MyWelfare” — designed like an e-commerce site, employees enjoy access to an extremely wide range of wellbeing and wellness goods and services (flexible benefits). In 2025, also in light of a trade union agreement effective up to financial year 2027, this option was confirmed and presented to employees

via several online sessions (Welfare Days) designed to inform and raise their awareness of the possible advantages, including in light of the option to carry forward the welfare credit without a pre-set time limit. With regard to DEI matters, it bears recalling that the welfare credit may be used to obtain a refund for children's education expenses (from nursery schools to university master's degrees), babysitting service and summer camps, as well as to pay the assistance for family members with disabilities or aged over 75. In addition, company bonuses are not reduced following absences linked to maternity/paternity or serious disabilities.

With the ambition of promoting a meritocratic environment able to encourage alignment with the strategic objectives and the participation of all employees in the value creation process, in 2023 the Bank personnel — as defined by the Board of Directors — (excluding Managers with Strategic Responsibilities and Key Personnel) was also invited to participate in the **Share plan for Generali Group employees**, which allows employees to purchase Generali shares at favourable conditions, according to the terms indicated in detail in the documentation published by Assicurazioni Generali⁸³.

To facilitate employees' knowledge of the benefits and strengthening the sense of belonging, the Group has set up dedicated IT environments: the MyWelfare portal contains all Italian benefits, such as discounts and the Cashback System, whereas Employee Self Service illustrates both core benefits provided for in the National Collective Labour Agreement for the Credit sector and the Company Supplementary Contract and those resulting from special Group agreements.

With regard to the Banking Group companies, the benefits introduced are in line with local laws and practices, also considering each company's size. More in detail, depending on the legal entity in question and its nationality, benefits may refer to:

- › **healthcare**: it provides for reimbursements for various types of health expenses incurred by employees or their family members in specific situations, as well as for the possibility to obtain personal assistance services with costs borne by the company or at favourable conditions;
- › **supplementary pension**: by adding to the contribution provided by the Company a personal contribution, employees can create a private pension position designed to supplement their government pension;
- › **professional accident policy**: it is designed to cover cases of death or disability regarding employees and their beneficiaries;
- › **reimbursement of interest on mortgage loans**: employees under permanent contracts in service for at least one year are entitled to annual reimbursement of interest on mortgage loans for the purchase of their first homes, up to a pre-established annual amount;
- › **rail season ticket**: full reimbursement is provided of the cost of rail season tickets for collaborators who commute by train within Italy;
- › **training initiatives**: refunds of enrolment fees incurred by all Banca Generali Group personnel (including part-time personnel) to attend business-related training programmes, such as certifications (e.g., CFA, Negotiation, ITIL, Python for Finance, etc.) and/or courses that issue an attendance certification after passing a final exam, and advanced language courses (English, German and French);
- › **flat-rate meal allowance**;
- › **contribution to insurance for loss of earnings due to illness**, borne fully by the employer.

Health and Safety in the Workplace

Banca Generali S.p.A. and Generfid S.p.A. provide for a structured process to carry out hazard identification and risk assessment. More specifically:

- › risk assessment identifies, measures and weights risk;
- › risk identification is the phase that looks for, identifies and describes the risk;
- › risk measurement places a value on the extent of the risk;
- › risk weighting compares and measures risk against specific criteria.

In line with a CSR approach to occupational health and safety, Banca Generali S.p.A. and Generfid S.p.A. can:

- › identify the hazards and risks associated with the activities and assess the impact they may have on the health and safety of workers and the community;
- › take preventive measures to protect workers and minimise the risks associated with activities, products or services;
- › communicate workplace health and safety information in a transparent manner, for example, by publishing annual CSR reports providing information on risks and how risks are managed;
- › collaborate with suppliers and business partners to promote occupational health and safety and share best practices;
- › provide for the implementation of occupational health and safety management systems to monitor and evaluate the effectiveness of the preventive measures adopted;
- › comply with local laws and regulations on occupational health and safety.

⁸³ The Share plan for Generali Group employees is available at: www.generali.com/info/download-center/governance/assemblee/2023

By following these steps, Banca Generali S.p.A. and Generfid S.p.A. prove their social responsibility towards the health and safety of workers and the community, and help to create a safer and healthier work environment.

S1-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In 2025 as well, people continued to be recognised as the Bank's main stakeholders, confirming the central role attached to the enhancement of employees, view as one of the most tangible and challenging objectives.

In the year, the Bank monitored several aspects related to professional development and growth, with a specific focus on young talent, training and investments in upskilling and reskilling. More specifically:

- › 72% of hires was under 35;
- › 94% of colleagues was involved in sustainability-related initiatives and 98% of colleagues in digital-related initiatives;
- › 56 average training hours per employee aimed at honing skills.

In addition, the efficacy of the activities described in the previous sections is monitored using specific quantitative indicators that measure several aspects linked, for instance, to the participation in training initiatives, people engagement, DEI, the company population's composition, and health and safety. Some of these KPIs are included in the reporting tool "Sustainability Dashboard"⁸⁴.

S1-6

Characteristics of the undertaking's employees

EMPLOYED PERSONS BROKEN DOWN BY GENDER

	31.12.2025 (YE HC)	31.12.2024 (YE HC)
Male	720	573
Female	593	531
Total employees	1,313	1,104

EMPLOYED PERSONS BROKEN DOWN BY GENDER AND COUNTRY

	31.12.2025 (HC YE)			31.12.2024 (HC YE)		
	F	M	TOTAL	F	M	TOTAL
Italy	563	657	1,220	509	511	1,020
Abroad	30	63	93	22	62	84
Total employees	593	720	1,313	531	573	1,104

In 2025, the number of employees recorded a net increase of 209, mainly attributable to the addition of 147 employees following the acquisition of Intermonte SIM and Intermonte Partners SIM on 5 February 2025 and 8 employees following the acquisition of Aequitum S.A., finalised near the end of the year; the remainder was due to the hiring of new recruits. 93% of the Banking Group's employees worked within the Italian territory (92% in 2024), whilst the remaining 7% was based in Luxembourg and Switzerland⁸⁵ (8% in 2024).

⁸⁴ For further information on the Sustainability Dashboard, see Section "GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies".

⁸⁵ Employees based abroad in 2024 included one employee who was hired in Italy and then seconded to Luxembourg. The 2025 figure includes three employees who were hired in Italy and then seconded, two to Switzerland and one to Luxembourg.

Testifying to the Banking Group's commitment to strengthening and consolidating employees with a permanent contract, 58 contracts were transformed from fixed to permanent in 2025, in order to both cover new positions and to replace staff who have left previously. Where possible, the Banking Group's policy is geared towards consolidating employment relationships with a view to enhancing the potential of young people and investments in human capital.

In order to enable young people to unlock their potential and quickly acquire more technical skills, they are also supported by individual and collective development paths and high-level training courses implemented by the Bank, in partnership with national and international universities and training institutions, as also described in previous sections.

EMPLOYED PERSONS BY CONTRACT TYPE, BROKEN DOWN BY GENDER AND COUNTRY - YE HC

	31.12.2025 (HC YE)								
	ITALY			ABROAD			TOTAL		
	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL
Permanent contract	548	638	1,186	28	61	89	576	699	1,275
Fixed-term contract	15	19	34	2	2	4	17	21	38
Non-guaranteed hours	-	-	-	-	-	-	-	-	-
Total	563	657	1,220	30	63	93	593	720	1,313

	31.12.2024 (YE HC)								
	ITALY			ABROAD			TOTAL		
	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL
Permanent contract	481	493	974	21	59	80	502	552	1,054
Fixed-term contract	28	18	46	1	3	4	29	21	50
Non-guaranteed hours	-	-	-	-	-	-	-	-	-
Total	509	511	1,020	22	62	84	531	573	1,104

The percentage of workforce with a permanent contract was 97% at the end of 2025 (95% in 2024).

	31.12.2025 (YE HC)								
	ITALY			ABROAD			TOTAL		
	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL
Full-time	519	654	1,173	18	63	81	537	717	1,254
Part-time	44	3	47	12	-	12	56	3	59
Total	563	657	1,220	30	63	93	593	720	1,313

	31.12.2024 (YE HC)								
	ITALY			ABROAD			TOTAL		
	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL
Full-time	471	510	981	15	59	74	486	569	1,055
Part-time	38	1	39	7	3	10	45	4	49
Total	509	511	1,020	22	62	84	531	573	1,104

TURNOVER - ITALY

31.12.2025 (YE HC)

	NO. OF EMPLOYEES	NO. OF HIRINGS	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	563	51	30	9%	5%
Male	657	74	40	11%	6%
Total	1,220	125	70	10%	6%

31.12.2024 (YE HC)

	NO. OF EMPLOYEES	NO. OF HIRINGS	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	509	51	35	10%	7%
Male	511	53	39	10%	8%
Total	1020	104	74	10%	7%

TURNOVER - ABROAD

31.12.2025 (YE HC)

	NO. OF EMPLOYEES	NO. OF HIRINGS	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	30	9	4	30%	13%
Male	63	15	21	24%	33%
Total	93	24	25	26%	27%

31.12.2024 (YE HC)

	NO. OF EMPLOYEES	NO. OF HIRINGS	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	22	7	4	32%	18%
Male	62	13	6	21%	10%
Total	84	20	10	24%	12%

TURNOVER - ITALY AND ABROAD

31.12.2025 (YE HC)

	NO. OF EMPLOYEES	NO. OF HIRINGS	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	593	60	34	10%	6%
Male	720	89	61	12%	8%
Total	1,313	149	95	11%	7%

31.12.2024 (YE HC)

	NO. OF EMPLOYEES	NO. OF HIRINGS	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	531	58	39	11%	7%
Male	573	66	45	12%	8%
Total	1,104	124	84	11%	8%

It should be noted that turnover figures include not only hirings and terminations for fixed-term contracts (including replacements for maternity leave), but also secondments to and from other companies within the Banking Group and Generali Group.

Characteristics of non-employee workers in the undertaking's own workforce⁸⁶

S1-7

NON-EMPLOYEE WORKERS

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Non-employee workers	3	1	4	1	3	4

To carry out its activities, Banca Generali sometimes avails of non-employee workers to deal with peak workloads or specific projects.

Collective bargaining coverage and social dialogue

S1-8

100% of employees in Italy is subject to social and national legislation and the provisions of the National Collective Labour Agreement (CCNL) for the Credit sector or for Credit Managers, in addition to the National Collective Labour Agreement for journalists (CCNL Fnsi-Fieg). Local legislation applies to the employees of BGFML, BG Aequitum and BG (Suisse) Private Bank S.A.

COLLECTIVE BARGAINING COVERAGE RATE

EMPLOYEES COVERED BY THE CCNL (ITALY)	31.12.2025	31.12.2024
No. of total employees covered by the CCNL	1,223	1,021
No. of total employees ⁸⁷	1,223	1,021
Percentage of employees covered by the CCNL	100%	100%

The CCNL for the Credit sector provides a well-structured system of union relations to be activated in the form of information-gathering, consultation or bargaining meetings, in order to allow trade unions to carry out their role in the Company.

As regards trade union relations at company level (in particular with reference to the scope of Banca Generali and Generfid), worth of mention is **the important renewal of the supplementary company contract (CIA) signed on 28 May 2025**, which confirmed or improved a wide range of economic and regulatory measures, as summarised here below.

Monetary measures



Company bonus for 2026 and 2027

Pursuant to the law, amounts accrued individually will be taxed at a preferential rate or may be converted in welfare benefits in the amount of 50% or 100% of the bonus in question.



Welfare Plan for 2026 and 2027

Fixed amount paid to employees with a permanent contract.

⁸⁶ It should be noted that non-employee workers are included in Banca Generali's own workforce, but not among employees.

⁸⁷ The total figure refers to the total number of employees hired in Italy, including those seconded abroad.

Healthcare and pension measures



Base healthcare policy fully borne by the Company

Diversified for Employees and Middle Managers, it provides for the reimbursement (within specific policy limits and excess amounts) of health expenses. In case of major surgeries and dental expenses, it is also possible to request direct payment by the insurer.



Optional healthcare policy borne by the employee

Extension of some health coverages also to non-dependants.



Supplementary pension

5.6% contribution borne by the Company; as of 1 January 2026, 6% for Middle Managers. Possibility to activate a position in favour of dependent family members and payment of 500 euros in the event of birth of a child. If the supplementary pension is based on Pension Funds other than the Group Pension Fund (Fpgg), this amount will be paid out as welfare benefits.



Policy borne by the Company in case of death, permanent total disability and dread disease

It provides for an indemnity in these circumstances. The employee may increase the indemnity by personally paying an additional contribution.



Professional accident policy (borne by the Company)

It provides for an indemnity in case of death or permanent total disability.



Meal vouchers

7.5 euros a day.



Advance payment of the termination indemnity held with the Company

The eligible cases provided for by the law and the national collective labour agreement have been increased/improved to include health expenses, first home purchase/renovation for employees or their children, funeral costs, parental leave expenses, employee training expenses, children's wedding expenses, expenses for persons with disabilities/assistance of family members no longer self-sufficient, loss of job by a family member.

Preferential-rate banking and lending products



Preferential-rate mortgages to purchase the first home at a 3.5% cap rate. Personal loans for certain purchases. The loan amount may be increased in case of purchase of hybrid or electric vehicles. Cash flexibility. Elimination of additional fixed costs on BG employees' current accounts.

Work-life balance measures and DEI matters

As described in section "Work-life balance initiatives", several regulatory and economic measures have been introduced or improved to safeguard or support parenthood and DEI matters.

Since it is the result of collective bargaining, it applies to all employees in the professional area category (Employees) and to Middle Managers. The only exceptions concern employees with fixed-term contracts, who cannot access the benefits regarding first home mortgages, personal loans, as well as one-off welfare payments.

In addition to negotiations to renew the supplementary company contract (CIA), trade union relations have also developed through the following meetings provided for by the law or by the CCNL for the Credit sector:

- › **renewal of Smart Working/Next Normal agreements:** in March, agreements were reached on the matter, introducing new provisions governing the maximum monthly days and the cases in which this amount can be increased in application of DEI principles. The new agreements will be effective until 31 December 2026;
- › **annual meeting pursuant to Article 14 of the CCNL for the Credit sector**, relating to strategic perspectives (balance sheet and business data) and the HR structural profile, in which aggregate information on staff, inbound/outbound personnel, professional and career growth and training were shared. **At this meeting, the company union representatives were also provided with mandatory reporting on double materiality;**
- › **meeting on the payout of the company bonus for the 2024 financial year (paid in June 2025):** on this occasion, the unit amounts by job classification level were precisely identified and the welfare option was confirmed at both 50% and 100% for 2024 as well, ensuring a flexible approach to employees' specific needs;
- › **reporting provided for by the CCNL for the Credit sector regarding the tender offer on the shares of Intermonte;**
- › **2025 Pulse Survey:** advance trade union reporting was delivered in September 2025, followed by a meeting held in December 2025 aimed at sharing the first results and the actions to be undertaken after the Survey;
- › **2025-2026 Group Performance Management (GPM):** reporting concerning a new management tool that will be introduced in 2026 was delivered in December 2025, in accordance with the terms laid down in the CCNL for the Credit sector;
- › **Training financed by Fondo Banche Assicurazioni (FBA) — Italy's national joint interprofessional fund for the continuing education of employees working in the banking and insurance sectors:** two trade union agreements were signed in 2025 aimed at accessing funds for specific areas, such as soft skills and implementation of individual development plans; in addition, meetings were organised in the year to further explore training topics, highlighting to trade union representatives those that are key to the organisation so as to gather any suggestions;
- › **voluntary generational turnover plan:** since its activation in 2016, timely information was provided regarding the possibility for employees within 5 years of retirement to access an incentive-based voluntary redundancy plan;
- › **reporting on fringe benefits provided for by the 2025 Budget Law;**
- › in implementation of the CCNL, the activity of the Fondazione **Prosolidar foundation**, which is involved in solidarity projects at an international level, was further promoted registering the membership of over 80% of employees of Banca Generali S.p.A. and Generfid S.p.A.

SOCIAL DIALOGUE COVERAGE RATE IN ITALY

WORKPLACE REPRESENTATION (ITALY)	31.12.2025	31.12.2024 ⁸⁸
Percentage of employees covered by workers' representatives	100%	100%

Banca Generali S.p.A. and its subsidiaries always respect trade union rights and freedom, with regard to both corporate and local unions and the rights of individual employees.

Diversity metrics

S1-9

The 3 Top Managers, namely the Chief Executive Officer/General Manager and 2 Deputy General Managers, are all males (100%).

EMPLOYED PERSONS BY PROFESSIONAL POSITION AND GENDER

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Managers	20	82	102	15	63	78
Middle managers	181	295	476	157	240	397
Employees	392	343	735	359	270	629
Total	593	720	1,313	531	573	1,104
Percentage	45%	55%	100%	48%	52%	100%

⁸⁸ The 2024 figure (34%) referred to trade union membership.

35% of positions of responsibility (Managers and Middle Managers) was held by women, essentially in line with previous years (36% in 2024).

EMPLOYED PERSONS BY PROFESSIONAL POSITION AND AGE

	31.12.2025 (YE HC)				31.12.2024 (YE HC)			
	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
Managers	-	30	72	102	-	23	55	78
Middle managers	5	249	222	476	3	226	168	397
Employees	157	389	189	735	95	382	152	629
Total	162	668	483	1,313	98	631	375	1,104
Percentage	12%	51%	37%	100%	9%	57%	34%	100%

At year-end, workforce's average age was 45 (Managers' average age was 53, that of Middle managers was 48, whereas that of Employees was 41).

S1-10

Adequate wages

All employees of Banca Generali S.p.A., Generfid S.p.A. and Intermonte SIM are ensured adequate minimum wages that, based on the provisions of Article 36 of the Constitution of the Italian Republic, coincide — in the case of the banking sector — with the wages/remuneration provided for by the National Collective Labour Agreement (CCNL) for the Credit sector or for Credit Managers, thereby complying, in accordance with recognised legal interpretation, with the constitutional principle stating “Workers have the right to a remuneration commensurate to the quantity and quality of their work and in any case such as to ensure them and their families a free and dignified existence.”

At the Subsidiaries in Luxembourg and Switzerland, employees earn adequate remuneration benchmarked to the specific legal provisions or collective bargaining agreements in force in those countries (e.g., law of Canton of Ticino in Switzerland).

S1-11

Social protection

The legislation of the countries where the Banca Generali Group companies are located provides for mandatory social protection measures in favour of employees in the event of sickness, unemployment, employment injury, parental leave and retirement.

The benefits offered to employees based in Italy (i.e., of Banca Generali S.p.A. and Generfid S.p.A.) also include:

- › **healthcare:** this provides reimbursements for various cases of health expenses (e.g., major surgeries, hospitalisation, dental expenses, specialist examinations and treatments, oncology expenses, etc.) incurred by employees or their dependent family members and, in certain situations, by other family members. The employee may also extend these “base” benefits to non-dependants by personally paying the related amount. In this case, maximum coverage is increased.
The healthcare policy also allows for “personal services” provided either free of charge or at favourable conditions (e.g., babysitting, medical advice, emergency surgery, etc.).
It should be noted that an “ultra-activity” (extended activity) of the health insurance is envisaged for employees entitled to retirement or for employees above 55 who terminate their employment relationship consensually. “Ultra-activity” is also guaranteed in case of early death of an employee, in accordance with specific provisions;
- › **supplementary pension:** by adding to the contribution provided by the Company a personal contribution, including of a minimum amount, employees can create a private pension position (also made possible by Generali Group's Pension Funds), designed to supplement their government pension. This mechanism also makes it possible for employees to meet major personal needs (e.g., purchase of a first home, extraordinary health expenses, etc.), by applying for specific advances, including during the contribution phase;
- › **economic indemnity for death, permanent total disability and dread disease:** this is an extremely important social protection mechanism through which the Company, in the most

serious cases that may affect its employees and thus their families, provides significant sums calculated according to the employee's age, remuneration (basic pay as per the National Collective Labour Agreement and seniority increases) and family composition;

- › **professional accident policy:** this mechanism, which is designed to cover cases of death or permanent total disability, also represents a fundamental tool for protecting both employees and their families;
- › **long-term care:** employees who are no longer self-sufficient are entitled to healthcare/social security indemnities and services, the cost of which is borne by the Company.

Persons with disabilities

S1-12

PERCENTAGE OF EMPLOYEES WITH DISABILITIES ON TOTAL OWN WORKFORCE

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Percentage	6%	4%	5%	5%	4%	4%

Training and skills development metrics

S1-13

Training paths

In 2025, the strategic guidelines served as a reference point for defining and implementing training programmes within Banca Generali Group. In orienting training activities, the takeaways and areas for improvement highlighted by the 2024 Generali Global Engagement Survey were taken into consideration and transformed into tangible growth opportunities. At the same time, ample attention was given to upskilling and reskilling programmes, with the aim of enhancing technical and managerial skills and supporting employees in a constantly evolving financial environment.

Therefore, the year 2025 represented a strategic bridge to the future, promoting active listening, innovation and the construction of solid foundations for the new People Strategy. Initiatives were designed and implemented taking into account the organisational needs and characteristics of the different generations within the company, ensuring an inclusive and personalised approach.

The combination of e-learning platforms, virtual classroom sessions and face-to-face meetings also made it possible to reach all Banca Generali Group's employees in a comprehensive and timely manner, including the employees of the recently acquired Intermonte. This integrated approach further consolidated the positive trend in terms of attendance to training paths, confirming the organisation's commitment to continuous skill development.

Strategic topics such as innovation, digital transformation, new skills and artificial intelligence were placed at the centre of training programmes aimed at the entire company population, including part-time colleagues, with the aim of promoting professional growth. In support of these initiatives, Banca Generali Group collaborated with companies specialising in training, which contributed to the adoption of innovative teaching methods and the widespread dissemination of new skills.

All Banca Generali Group's employees were supported through training and awareness-raising paths aimed at enhancing diversified professional profiles and developing technical and behavioural skills, while promoting an inclusive, listening-oriented environment. Furthermore, to ensure the organisation's future sustainability, as well as continuity in key positions, succession plans are defined and updated each year, and complemented by development programmes dedicated to future leaders.

Talent Development Programmes were introduced in 2025: structured, personalised paths aimed at boosting the transferable skills of high-potential employees. These programmes will continue in 2026 through dedicated initiatives, confirming the Group's commitment to talent growth.

Among the most significant initiatives was the launch of the tailor-made **Next Gen Development Program**, aimed at a selected talent pool of professionals under 35, characterised by strong ambition and determination. The programme has multiple objectives: ensuring the organisation's future sustainability through the acquisition of new digital and AI-related skills, developing profiles in

TRAINING
75,308.4 hours
 OF WHICH 1,772.5
 HOURS PROVIDED
 TO YOUNG INTERNS

line with the future succession plans, retaining the best talent and making the Group attractive to new generations. Furthermore, the programme aims to create a more diverse and inclusive work environment, promoting collaboration and respect for intergenerational differences.

Training programmes are designed to be inclusive and accessible to the **entire company population**, regardless of the role or contract type. This means that training initiatives involve not only full-time employees, but also part-time and fixed-term employees, as well as interns. The objective is to ensure equal opportunities for growth and professional development, creating a training ecosystem that involves every person in the organisation.

Banca Generali Group puts **its people at the centre**, considering them the true driving force behind innovation and business success. For this reason, structured and targeted programmes have been implemented in recent years, designed to promote:

- › **the development of new skills**, which are essential for tackling the challenges of a constantly evolving market and responding to digitalisation and innovation needs;
- › **talent development**, through upskilling and reskilling programmes that enable employees to broaden their professional experience and prepare for roles of greater responsibility;
- › **the enhancement of personal passions and aptitudes**, because all individuals bring with them a unique wealth of interests and abilities that, if recognised and strengthened, contribute to collective growth.

Banca Generali Group promotes a culture of **continuous improvement**, encouraging employees to develop not only technical skills, but also transferable skills such as leadership, effective communication, problem solving and teamwork capabilities. The goal is to build a strong professional community capable of facing future challenges with resilience and innovative spirit. Creating a **climate of trust** is another fundamental pillar of the Group's training strategy, in addition to trust that translates into active listening, process transparency and a willingness to invest in the potential of each employee. In this context, training is a fundamental opportunity for continuous growth, a path that accompanies each person throughout his or her career.

In 2025, a total of 75,308.38 training hours were attended, of which 1,772.5 hours provided to young interns.

Following the acquisition of Intermonte SIM and Intermonte Partners SIM, average training hours decreased slightly compared to 2024, also as a result of the training onboarding process launched at the end of 2025

AVERAGE TRAINING HOURS BY GENDER AND PROFESSIONAL POSITION

	31.12.2025	31.12.2024
Average training hours per employee	56	63
Average training hours per female employee	59	62
Average training hours per male employee	53	64
Average training hours per Manager	74	96
Average training hours per Middle managers	60	68
Average training hours per Employee	51	55

Despite this slight decrease, **these figures confirm the Bank's ongoing focus on development and continuous updating of employees' technical and managerial skills**. This commitment is not only a Human Capital investment indicator, but also a fully-fledged, long-term strategy aimed at ensuring the organisation's competitiveness and sustainability. Training is indeed a key pillar of Banca Generali Group's growth and shared value creation.

In 2025, the main training initiatives included:

- › **regulatory/security training**, to make the Bank sustainable in the long term and protect its employees and the organisation. Training and refreshers on regulatory topics continued throughout 2025. The activities of this cluster included certifications (e.g., annual MiFID II certification) and training (initial training or refreshers), related to both legal and security matters.

As regards the regulatory field, particular attention continued to be devoted to investing in compliance and anti-financial crime awareness, with courses dedicated to Anti-money Laundering, Anti-Bribery and Corruption, Banking Transparency, Compliance Awareness, Code of Conduct, Whistleblowing, Control System for Process Owners (by both introducing new initial training courses and organising refreshers), available for the entire Banca Generali Group population (including part-time employees, employees with fixed-term contracts, non-employees and interns).

As far as security is concerned, in light of the widespread adoption of new technologies, this year as well saw renewed attention to cybersecurity training, aimed at constantly raising awareness among employees of risks arising from the use of new technologies, promoting the active collaboration of each individual to prevent potential cyber attacks and protect the organisation's data and integrity.

To facilitate access to mandatory e-learning courses on regulatory and security topics, the BG LAb training platform — dedicated to Banca Generali Group employees — was linked to Generali Group's We LEARN platform, in addition to implementing a system of automatic reminders sent by BG LAb, scheduled monthly;

- › **training to develop technical skills**, to continue to ensure a technical leadership that is widespread within the organisation and competitive on the market. In a context characterised by rapid technological change and the introduction of increasingly advanced digital tools, in 2025 as well, the Bank continued to invest in targeted training programmes, with a particular focus on skills that support the adoption of new technologies and the integration of Artificial Intelligence (AI) into business processes. In addition to specialist certifications for selected colleagues, tailored training courses and specific programmes were provided to key structures such as Credits, Trading and Audit, with the aim of strengthening the technical skills needed to meet the challenges facing the sector. Great attention was also paid to AI training, through differentiated programmes. With regard to certifications, Banca Generali Group confirmed its commitment to reimbursing enrolment fees for employees who participate in business-related training programmes, such as CFA and ITIL certifications and other courses that issue attendance certificates upon passing a final exam. This support policy is a clear sign of the Bank's attention towards professional growth and enhancement of internal talent;

- › **training aimed at developing managerial and behavioural skills**, to support people in the major strategic changes and build a unique managerial style. In 2025 as well, during the performance management process, the entire Banking Group population enjoyed access to the wide dedicated training and development catalogue "Development Linked to Performance", based on the organisation's strategic needs and aimed at defining annual individual development plans (IDPs).

AI training and training dedicated to the Bank's People Managers are detailed here below:

AI training

2025 was a crucial year for Banca Generali Group in terms of **digital transformation** and dissemination of **AI-related** skills. Numerous initiatives were launched with the aim of accompanying the entire company population on a path of awareness and practical use of emerging technologies, promoting a responsible and strategic approach to innovation.





AI Ambassador



AI Adoption

2025		
FUNDAMENTAL LEARNING ✓ M365 Copilot ✓ Copilot for Power BI ✓ Copilot Studio	JANUARY	
✓ Copilot Studio IDEA COLLECTION	FEBRUARY	WELCOME E-MAIL Internal communications
COPILOTS HACKATHON Experimentation, challenges and learning with different Copilot solutions	MARCH	TRAINING – 1ST WAVE Part 1: Training focused on Teams, Outlook and Business Chat Q&A Session Part 2: Focus on Word, Excel, PowerPoint and OneDrive Training
IDEA SELECTION AI AMBASSADOR MANUAL Weekly Call AI Connect	APRIL	Q&A Session TRAINING – 2ND WAVE Part 1 and Part 2: Training
DEFINITION OF COPILOT LAB with Microsoft (19 Workshops)	MAY	Q&A Session
	JUNE	LAUNCH OF M365 COPILOT LAB
	JULY	In-depth training on use cases with Copilot through 19 workshops that involved all Banca Generali structures
COLLABORATION WITH AI FACTORY TO IMPLEMENT USE CASES ✓ Ongoing training ✓ Engagement in adoption initiatives	SEPTEMBER	
	OCTOBER	
	NOVEMBER	TRAINING 3RD WAVE Part 1: Focus on Teams, Outlook and Business Chat Part 2: Focus on Word, Excel, PowerPoint and OneDrive Part 3: Focus on Agents and Copilot Studio Lite Q&A Session
	DECEMBER	RESUMPTION OF ADOPTION INITIATIVES for the entire population (users with and without M365 Copilot licence)

- › To ensure a common knowledge base, training courses open to all the Group's employees, including those with a part-time and fixed-term contract, were organised. The **AI for all: understanding AI** programme, divided into two modules, aimed to raise awareness of AI fundamentals, clarifying the differences between traditional and generative AI, explaining the functioning of Gen AI models and their potential applications, and exploring the regulatory and compliance aspects to consider when using AI at the workplace. These training courses represented the first step towards creating a shared digital culture, which is essential for tackling future challenges.
- › **Strategic partnership with Microsoft and focus on M365 Copilot**: a distinctive feature of the initiatives carried out in 2025, which enabled in-depth sessions dedicated to Copilot M365. These meetings, aimed at all users, were designed to illustrate the potential of AI embedded in the Office suite, show how Copilot can unlock individual productivity by simplifying daily tasks and supporting complex processes, and introduce the possibility of creating personalised Agents using Copilot Studio Lite, thus promoting autonomy and experimentation.
- › Following the above-mentioned training sessions, 19 **M365 Copilot LAB – In-depth workshops on use cases** were held, open to the entire population, where colleagues — divided into professional families — worked together with Microsoft on use cases specifically collected for the training sessions, identifying the areas of application where Copilot can bring added value.
- › To support the spread of AI within the organisation and its use to optimise activities and processes, Banca Generali Group's **AI Ambassadors** continued to be engaged in dedicated training and project activities as part of the two-year AI Ambassador Program, organised in partnership with Microsoft. On the one hand, the Ambassadors received technical training on Copilot (M365 Copilot, Copilot Studio, Copilot for Power BI), attended inspirational sessions to define their role as AI Pivots within their respective structures and put themselves to the test in a hackathon using different Copilot solutions to optimise some of the use cases identified internally by the teams. On the other hand, the Ambassadors collected use cases within their respective structures, identifying time-consuming and low-value-added activities and processes that could be optimised using AI-based solutions, which they are developing with the Bank's experts and will then implement.
- › As part of AI-focused activities, 2025 also saw the launch of the above-mentioned **AI Infusion** module within the Leadership Evolutionary Road programme. Dedicated to People Managers, this module is designed to provide an in-depth understanding of the technological landscape of AI and its specific applications, with a vertical focus on leadership in order to strengthen their skills in anticipating and managing the managerial implications of this important ongoing revolution.

Leadership Evolutionary Road

Leadership Evolutionary Road is an exclusive training programme designed to support all Banca Generali Group People Managers in a growth and awareness-raising process, in which they increasingly understand the central value of their role in achieving the Bank's strategic objectives. Being a People Manager today goes far beyond managing people: it means leading change, inspiring trust, fostering cohesion and enabling capability building in a constantly evolving context. The programme consisted of two complementary modules, each conceived to cover key aspects of modern leadership and digital transformation:

Leadership in Action

In-depth module dedicated to the Group's three guiding values: Trust, Ambition and Implementation (F.A.ME. - *Fiducia, Ambizione e Messa a Terra*). Through interactive sessions, hands-on exercises and workshops, the module aimed to strengthen authentic leadership, able to combine strategic vision and execution capabilities, creating a work environment based on mutual trust and shared responsibility.

AI Infusion

An introduction to AI addressed to People Managers that provided a comprehensive overview of AI practical applications and its role on the transformation of corporate processes. In order to acquire the skills necessary to effectively lead their teams through the AI era, this module explored the organisational and cultural implications of this technological revolution.

Leadership Evolutionary Road

Leadership in Action

AI Infusion

People Management Essentials

The development of managerial skills is a strategic pillar within Banca Generali Group, as an essential element in ensuring solid, growth-oriented leadership. In this perspective, the MAP: People Management Essentials path played a fundamental role in 2025, accompanying all the newly-appointed People Managers through a training programme structured in two vertical modules. The first module, which was more technical in nature, explored managerial aspects and HR processes that influence the day-to-day activities of team leaders, providing practical tools for addressing operational challenges. The second module focused instead on consolidating the managerial skills essential for effective leadership, with particular attention to topics such as task delegation, team development and the ability to provide constructive feedback. This programme not only invested in individual skills, but also helped to strengthen a shared, future-oriented managerial culture.



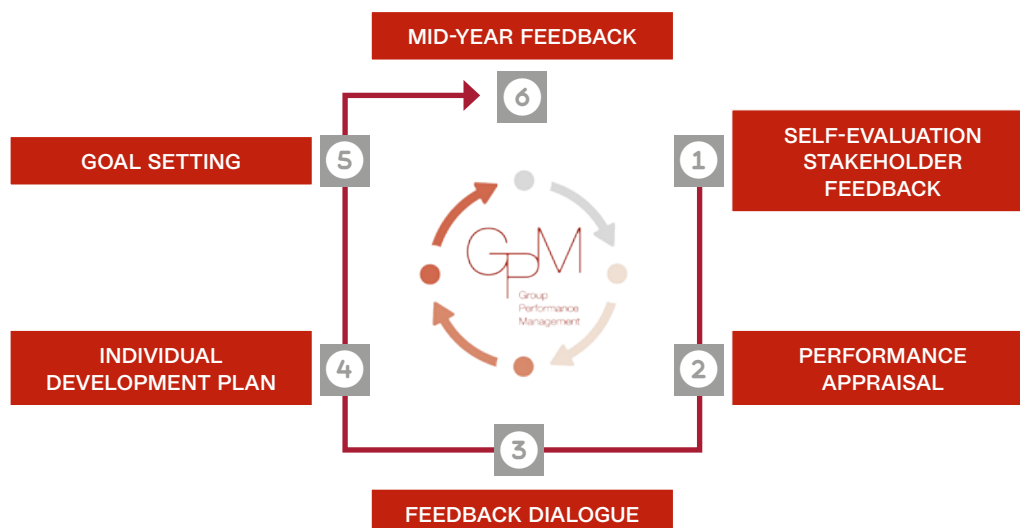
Evaluation procedure

The performance management cycle continued to be a fundamental pillar for the development of a meritocratic culture and the enhancement of internal talent. In 2025 as well, this process ensured a correct cascading of objectives across the entire company population, confirming its role as a key tool for manager-employee dialogue, with a view to continuous development and constant feedback. In recent years, the introduction of steps such as the self-evaluation and the stakeholder feedback further increased the transparency and efficacy of the process.

The Group Performance Management (hereinafter also “GPM”) is the process of assigning objectives and assessing objectives and performance that involves all Banca Generali Group People. The GPM seeks to involve and motivate all Banca Generali People to achieve important objectives, promoting constant professional development and a culture of excellent performance⁸⁹.

The initiative also aims to ensure that all employees receive feedback from important stakeholders with whom work has been carried out throughout the year, and structured feedback on their performance by their Manager, in addition to enable them to build an individual professional development plan through transparent, open dialogue.

⁸⁹ It should be noted that the evaluation procedure is reserved for all (full-time or part-time) employees with permanent contract and in service for at least 6 months within the organisation.



With the introduction of the new context of the Next Normal work model, in previous years the GPM process was revised and integrated in order to:

- › improve the experience of collaborators and People Managers throughout the different phases of the process, thus facilitating greater closeness;
- › encourage collaborators' accountability along the entire process, increasing their participation and engagement;
- › increase flexibility, equity, development and ease of achievement of planned results;
- › facilitate and encourage ongoing feedback within the organisation. To this end, in the past two years the process was extended to include new phases: Self-Evaluation, Stakeholder Feedback and Mid-Year Feedback.

In addition to the parent company Banca Generali, this process also involves Generfid S.p.A. and BGFML S.A., and in 2024 it was also extended to the Swiss subsidiaries BG Suisse S.A. and BG Valeur S.A. (now BG Aequitum S.A.). In 2026, the newly acquired Intermonte SIM will be included in the process.

Talent development and growth are also promoted and supported through participation in Development Center projects organised locally and at the level of Generali Group, allowing Banca Generali Group people to become aware of the possibility of holding broader, more international and more complex roles. The Development Center projects are generally followed by growth paths offering training and coaching programmes to support development.

In order to further accelerate meritocracy, along with a sustainable approach to people development within the Company, this tool is useful for working on the management pipeline, discover new talent and support constant personal growth.

In 2025 as well, all eligible employees therefore received a performance evaluation, confirming the interest of People Managers and all employees in the process, creating greater closeness and trust between them.

PERCENTAGE OF EMPLOYEES WHO UNDERWENT A PERFORMANCE ASSESSMENT⁹⁰

(%)	31.12.2025		31.12.2024	
	F (%)	M (%)	F (%)	M (%)
Managers	94%	94%	92%	100%
Middle managers	97%	98%	99%	100%
Employees	100%	100%	100%	100%
Total	99%	98%	99%	100%

S1-14

Health and safety metrics

The Company constantly guarantees the best working conditions ensuring a safe and healthy environment in accordance with the occupational health and safety legislation in force, complying with all specific legal requirements applicable to Italian companies and always considering the physical safety of its workers to be a priority.

The necessary provisions are constantly applied with the specific support of a team of professionals from a qualified third-party firm — which carries out its activities by collaborating with Generali Group so that procedures, methods and rules are uniformly applied — appointed to the role by Banca Generali S.p.A. and Generfid S.p.A. with the signing of an outsourcing contract for safety issues.

The activities of the third-party firm appointed to the task by Banca Generali S.p.A. and Generfid S.p.A. are constantly monitored through specific SLAs/KPIs, as part of the duties of the company Head of the Prevention and Protection Service (RSPP), responsible for health surveillance pursuant to Article 26 of Italian Legislative Decree No. 81/2008. In addition, an Activity Owner belonging to same third-party firm was appointed for the HQ offices and tasked with managing all fire safety obligations (controls pursuant to Italian Presidential Decree No. 151/11, verification of renewals of the Fire Prevention Certificate - CPI).

As regards the processes available to workers to report any hazards or dangerous situations at work, the circular “Management of obligations in the field of health and safety at work” specifies that there are personnel responsible for reporting to the employer or to delegated managers any hazardous conditions or a failure to apply legislation and, that, if a worker is involved in a near-accident or missed accident, he or she can immediately notify HR, the personnel in charge or the Head of the Prevention and Protection Service (RSPP) in writing, specifying what happened (dynamics of the event, place and time and elements that prevented the event from developing into an injury or incident).

To ensure and define the necessary processes for hazard identification, risk assessment and incident investigation, the **main risks indicated in Italian Legislative Decree No. 81/08 have been defined and evaluated** (as explained in detail below).

In 2025, all personnel eligible for health supervision (i.e., “exposed” personnel, including employees regardless of their professional role, interns and non-employees) was invited to undergo medical health examinations according to the protocol established in current legislation for the associated company risk group. In total, 511 medical examinations were carried out (247 men and 264 women), involving 40 different offices throughout Italy, in addition to the HQ offices in Milan and Trieste: 255 employees in Milan, 196 in Trieste and 60 in other cities were examined.

In addition to periodic examinations due in 2025 and first examinations for new recruits, this figure also includes examinations performed by the occupational medicine physician, both when specifically requested by the employee and upon changing assignments, returning from a period of absence for illness or injury of more than 60 days or in case of reasonable adjustment for personnel with disabilities, in accordance with the law. In line with previous years, the results showed clearly that most staff were fit to work without any limitations and/or special precautions.

⁹⁰ In line with the approach taken in 2019, the percentage is calculated on the employees of Banca Generali, Generfid and BGFML actually involved in the skills assessment process — employees with permanent contract as of 31 January each year and employed for at least 6 months. Maternity leave and long absences are not included. As of 2024, the employees of BG Suisse S.A. and BG Valeur have also been included (first assessments in 2025).

The Company provides **specific workstation safeguards** and ensures that the organisational prescriptions certified by the occupational medicine physician are observed, while raising the related managers' awareness of the health prescriptions.

Personnel at the Trieste, Mogliano Veneto, Milan, Turin, and Rome offices enjoy access (during working hours) to the services in the **multipurpose nursing centres** set up by Generali Group.

Building on the initiatives undertaken in previous years, in 2025 all people were again offered the opportunity to receive a flu shot free of charge at the company offices or in any medical/healthcare centre collaborating with Welion, throughout Italy.

In 2025, employee safety training paths were revised, pursuant to Article 37 of Italian Legislative Decree No. 81/2008. This entailed a review of the general training programme, the specific low-risk training course (three different paths broken down by specific task) and the related three 5-year refresher courses. These changes were implemented in light of the new training-related State-Regions Agreement (ASR) of 17 April 2025, published in the *Italian Official Journal* on 24 May 2025. The new training will be provided to employees as of the first months of 2026.

In 2025, 4 accidents (of which 3 while commuting) occurred in Italy, involving 2 woman and 2 men.

The number of work days lost to work-related accidents was 33 work days, reaching a total of 119 taking into account accidents while commuting.

In 2025, the rate of recordable work-related accidents⁹¹ amounted to 0.50, and to 1.99⁹² overall taking into account accidents while commuting.

The Company monitors the accident trend in order to identify possible prevention and protection measures and consequently supplement the risk assessment document. Data were organised highlighting the two main types of accidents, i.e., those occurring while commuting (home-work travel) and those occurring at the workplace, in order to better describe the specific risk for the different homogeneous and cross-cutting groups.

The annual data collected showed that there were no fatalities or cases of permanent disability or occupational diseases and that almost all accidents did not occur at work or in the workplace, but while commuting⁹³.

According to the provisions of Italian Legislative Decree No. 81/2008, 100% of employees of Banca Generali S.p.A. and Generfid S.p.A. are covered by the related general measures to protect workers' health and safety in the workplace.

Work-life balance metrics

S1-15

FAMILY-RELATED LEAVE

	31.12.2025			31.12.2024		
	F	M	TOTAL	F	M	TOTAL
Employees entitled to take family-related leave	593	720	1,313	531	573	1,104
% of employees entitled to take family-related leave	100%	100%	100%	100%	100%	100%
Entitled employees that took family-related leave	99	72	171	85	52	137
% of entitled employees that took family-related leave	17%	10%	13%	16%	9%	12%

⁹¹ The rate of recordable work-related accidents is calculated as follows: (recordable work-related accidents / worked hours) x 1,000,000.

⁹² The previous year's figure was 0.56, and 3.35 taking into account accidents while commuting.

⁹³ The recurrent causes of accidents occurring in the workplace or while commuting are:

- driving vehicles (car, motorbike, scooter, bicycle);
- slipping on the ground by falling or tripping;
- going up and down stairs;
- other causes not covered by the above.

All employees are entitled to take family-related leave, provided that the relevant conditions set forth by the specific framework are met⁹⁴.

S1-16**Remuneration metrics (pay gap and total remuneration)**

The Remuneration Policy reflects principles of neutrality to ensure equal treatment regardless of gender, as well as of any other form of diversity, basing the evaluation and remuneration criteria exclusively on merit and professional skills⁹⁵.

GENDER PAY GAP⁹⁶

	31.12.2025*	31.12.2024
Gender pay gap	35.08%	36.64%

TOTAL REMUNERATION RATIO⁹⁷

	31.12.2025*	31.12.2024
Total remuneration ratio	36.66	36.25

S1-17**Incidents, complaints and severe human rights impacts**

Banca Generali Group continues to focus on the enhancement of Human Capital, attention and commitment towards collaborators, respect for human dignity, freedom and equality, and equal opportunities in the workplace and on career paths, without any kind of discrimination.

According to this approach, any confirmed episodes of discrimination could give rise to disciplinary measures and penalties. However, in 2025 there were no such events or circumstances to report, nor internal reports or penalties in this regard.

In addition, in line with the aforementioned principles of inclusion and gender equality, Banca Generali Group ensures full respect for fundamental human rights, in accordance with its internal Policies on this matter. In light of the nature of the Company's business and the location of the operations undertaken, no transactions subject to auditing or human rights impact assessment were performed during the period.

⁹⁴ For a comprehensive overview of work-life balance measures, see "Welfare and benefits" in Section "S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

⁹⁵ For further details in this regard, see "Remuneration and incentives schemes" in Section "S1-1: Policies related to own workforce" in "ESRS S1 – Enhancement of Human Capital – Employees".

⁹⁶ To calculate this metric and in accordance with the provisions of the disclosure requirement, the following formula was applied:

Gender pay gap = ((Average gross hourly pay level of male employees - average gross hourly pay level of female employees)/(Average gross hourly pay level of male employees)) x 100.

* Indicators were calculated taking into account all the Banking Group companies, except for the 8 head-count of Aequitum — a company included in the Banking Group at the end of 2025 and merged into BG Valeur.

Indicators varied compared to 2024 mainly as a result of the change in the Banking Group's scope following the inclusion of Intermonte in 2025.

⁹⁷ To calculate this metric and in accordance with the provisions of the disclosure requirement, the following formula was applied:

Total remuneration ratio = (Annual total remuneration for the undertaking's highest paid individual)/(Median employee annual total remuneration (excluding the highest paid individual)).

Total remuneration ratio was thus 1:36.66.

Enhancement of Human Capital – Financial Advisors

ESRS
S1

The BG Network is a key element for Banca Generali Group, as it is the pillar on which the overall customer growth and retention strategy rests, guaranteeing a personalised, high-quality service that meets the specific needs of each customer.

For this reason, the Bank pays the utmost attention to the enhancement of its Financial Advisors, both in terms of selection and personal and professional development processes, supported by the latest technologies and a multi-channel system. Over the years, Banca Generali's Network evolved through the aggregation of various networks and private banks, as well as through the recruitment of highly skilled professionals on the financial services distribution market, attracted by the Bank's unique business model.

The BG Network consists of several types of Financial Advisors (**Senior Partners, Wealth Managers, Private Bankers, Financial Planners, Financial Planning Agents (FPAs) and Relationship Managers**⁹⁸) and is designed to meet the different needs of Financial Advisors and Customers. In addition, five Strategic Sales Managers focus on the development areas that are of greater interest to Banca Generali Group: People, Sustainability, Corporate Customers, international development (Switzerland), growth opportunities in synergy with Generali Group and the development of the capital markets business (Intermonte).

Policies related to own workforce

S1-1

As for employees, Banca Generali has adopted several policies aimed at managing and promoting the wellbeing of its Financial Advisors and an inclusive work environment for them, in addition to ensuring they receive fair and adequate remuneration.

Internal Code of Conduct

In particular, the provisions of the **Internal Code of Conduct**⁹⁹ apply also to Financial Advisors.

The principles of the Internal Code of Conduct also include Financial Advisors' training and on-going development, with the aim of ensuring the smooth functioning of corporate operations and protecting Customers' interests. To this end, the Bank ensures access to adequate professional training programmes, which are part of the broader growth and development system offered to all personnel.

Properly recognising individual contributions to the success of the organisation, including through fair and adequate remuneration, is another fundamental element of solid personnel relations.

Whistleblowing Policy

Like employees, in case of discrimination or harassment, or breaches of the Internal Code of Conduct, Financial Advisors are required to report them using the process laid down by the **Whistleblowing Policy**, which ensures those involved confidentiality and protection from retaliation.

Remuneration Policy of the Banking Group

The **remuneration system of Banca Generali S.p.A.'s Financial Advisors** is part of the broader **Remuneration Policy of the Banking Group**, which is based on solid principles, such as meritocracy, competitiveness, fairness, inclusivity, transparency and sustainability, aimed at strengthening the Bank's credibility, reputation and consensus over time, thereby also allowing to attract, motivate and retain the sector's best talent. This system has been defined with a view to aligning the interests of Financial Advisors with those of Customers and the Bank, promoting sustainable performance and the creation of value for all stakeholders. The Banking Group's Remuneration Policy is approved on an annual basis by the General Shareholders' Meeting, whereas the Board of Directors is responsible for its proper implementation.

The incentive schemes, which in the industry are typically a critical factor, do not make any reference to the placement of specific products. Banca Generali rewards the ability of generally increasing the scope of offerings, for example by acquiring new prospects or developing existing customers.

⁹⁸ It should be noted that Relationship Managers are included in the disclosure provided in Chapter "ESRS S1 – Enhancement of Human Capital – Employees".

⁹⁹ See also "Human rights and DEI", "S1-1: Policies related to own workforce" in "ESRS S1 – Enhancement of Human Capital – Employees".

S1-2

Processes for engaging with own workers and workers' representatives about impacts

In 2025, the Bank consolidated a structured model for engaging Financial Advisors, recognising their key role in value creation and organisational evolution processes. The systematic listening to Financial Advisors' requests, reported in particular by the Network Managers, was integrated into internal processes through various tools, including dedicated events, focus groups and satisfaction questionnaires.

This approach has allowed to proactively address both the current and potential impacts highlighted by the Double Materiality Analysis, ensuring an increasingly positive work environment geared towards continuous improvement.

Events

In 2025, the Bank continued to organise in-person **meetings and conferences** with the BG Network, and also took advantage of the benefits of digitalisation, so as to combine the opportunities of face-to-face sessions with convenient remote meetings.

The monthly meetings between the first management line and top managers are the main occasions for meeting and dialogue. These meetings are an opportunity not only to provide updates on new products and on the progress of the most important projects, but also to identify and respond to the needs of the BG Network, defining targeted managerial and support actions.

In February 2025, the first of these meetings — the BG Leadership Meeting, which every year brings together the first- and second-line Network Managers — was organised in Budapest.

As of March 2025, a series of operational live webinars have been held with a focus on the managerial structure, including District Managers, to further analyse operational and commercial aspects presented during said committees.

The meetings of the Sustainable Advisors — specialised in ESG products, tools and best practices — continued to be organised in 2025 as well. In September 2025, the traditional Premier League event was held, involving the best Financial Advisors of Banca Generali S.p.A.'s Network. The event took place off-site over the course of an entire week and provided numerous opportunities for discussion among Financial Advisors and Top Managers in a less formal setting, aimed at gathering opinions and ideas, as well as at further strengthening the Group's spirit of cohesion.¹⁰⁰

Focus groups

Focus groups were held again in 2025 as Banca Generali considers them one of the main stakeholder engagement methods for engaging the BG Network on projects with significant commercial impact: in this case as well, their organisation has evolved in line with technological progress, with meetings that can therefore be held both physically and remotely, so as to gather opinions without geographical limitations and reach a qualified and broad audience of Financial Advisors.

The year saw the implementation of some of the operational activities developed based on Financial Advisors' feedback gathered during "**BG in ascolto**" (BG's listening project), a project launched in 2024 to create valuable dialogue opportunities between the Bank and its Financial Advisors with a view to addressing operational matters.

Training and satisfaction questionnaires

The training classrooms provided for in the 2025 Training Plan are an additional occasion for discussion: in 2025, they were mainly held in-person, also envisaging, where possible, a parallel use of technology during in-depth webinars created ad-hoc, such as those focused on the launch of new products and new commercial initiatives. This allowed to ensure a high and fruitful level of interaction and engagement, thanks also to the satisfaction questionnaires handed out at the end of the sessions to collect feedback on the training content and on the effectiveness of the speakers, as well as any suggestions for improvement in line with the participants' needs. In addition, as every year, one of the most prestigious institutions in the sector carried out a survey in which Financial Advisors confirmed the appreciation and excellence of the Bank and the Group.

¹⁰⁰ See also Section "S1-13: Training and skills development metrics" in "ESRS S1 – Enhancement of Human Capital – Financial Advisors".

Processes to remediate negative impacts and channels for own workers to raise concerns

S1-3

The channels that allow Financial Advisors to raise concerns are the same as those offered to employees¹⁰¹. In particular, the BG Network was informed of the methods for using, accessing and forwarding reports through the dedicated Network Communication tool, available as of July 2023.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

S1-4

In order to enhance its BG Network and improve the management of impacts and opportunities related to it, the Bank has undertaken numerous actions and initiatives revolving around Financial Advisors, aimed at ensuring fair remuneration, a healthy and welcoming work environment, protection from adverse events that may influence their income-generating capacity, preservation of diversity, inclusivity and equal opportunities, generational transition and professional upskilling.

Fair remuneration

Financial Advisors' remuneration package consists of fixed remuneration and a variable component, structured so as to ensure a proper balance between these various components.

Financial Advisors collaborate with the Company as freelance professionals and are appointed permanently (and without representation) to promote and place in Italy, as part of their advisory service, and in an autonomous manner — on the Company's behalf and, on the Company's instructions, also in the interest of third party principal companies — financial instruments and services, banking products and services, insurance products and other products indicated in their contract, and also to provide customer service for customers acquired and/or assigned — with all the due diligence required to achieve company objectives.

Specifically in light of this type of contractual relationship, Financial Advisors' recurring fee-based remuneration — unlike that of employees — is not, by its nature, stable over time and consists of fees of various kinds, which may vary on the basis of the type of activity performed, the range of products placed and the distribution agreements in place with the financial partners.

The recurring remuneration system is established at a general level, for all Financial Advisors, and must combine the need to pay the Financial Advisors a remuneration proportionate to the company's revenues, in line with commonly applied market practices, with the need to avoid situations of potential conflict of interest.

Besides ordinary remuneration, Financial Advisors' contract makes explicit reference to the creation of a meritocratic bonus system capable of rewarding Financial Advisors' professional growth through the recognition of a specific compensation in addition to the ordinary one. This component of the overall remuneration, which is based on a combination of annual and multi-year incentive schemes, aims to encourage the achievement of business objectives by directly linking incentives to the targets achieved.

Banca Generali's incentive scheme is based on several fundamental principles:

1. **alignment to the corporate strategy**: incentives are strictly linked to the Group's strategic and financial objectives, thus ensuring that Financial Advisors work in synergy with Banca Generali's mission and vision;
2. **sustainability**: variable remuneration is linked to sustainable performance, both at the individual and Group level. This approach encourages Financial Advisors to achieve lasting and responsible results;
3. endorsement of the criteria of **diligence, transparency and fairness** in relations with customers, customer protection and retention, and containment of legal and reputational risks. It does not provide an incentive to offer a specific product, or a specific category or combination of products, inappropriate for the customer's objectives and financial needs;
4. adoption of **corrective mechanisms** that allow it to be reduced (including to a significant degree) or eliminated in the event of conduct that has caused, or has contributed to causing, significant damage to Customers;
5. link to quantitative and qualitative criteria and **adequate balance** with respect to the fixed component of remuneration;

¹⁰¹ For further information, see "S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns" in "ESRS S1 – Enhancement of Human Capital – Employees".

6. **inclusivity and meritocracy**: it contributes to promoting an inclusive and meritocratic work environment, where Financial Advisors are rewarded for their contribution and skills, regardless of gender, age or other personal characteristics.

Work environment

Banca Generali promotes a healthy and welcoming work environment for its own workforce, including for its Financial Advisors, through the adoption of internal policies and procedures to uphold this commitment. These include the Internal Code of Conduct, which is based on the principles of fairness, transparency and integrity and ensures that Financial Advisors' workplace is safe, healthy and protected, requiring them to refrain from any behaviour that could harm the health or safety of others.

Financial Advisors' failure to comply with the prohibitions and obligations contained in the Internal Code of Conduct and in the internal procedures will result in the possible application of certain disciplinary measures and internal sanctions against them.

Insurance coverage

Financial Advisors and Network Managers benefit from accident, disease and permanent disability insurance covers and receive the social security and termination benefits provided for by the law. This is in addition to a specific insurance policy (Long Term Care) aimed at guaranteeing a minimum income in the event of serious permanent disability. These measures are aimed at ensuring, in addition to ordinary remuneration, a series of protections and insurance covers designed to consolidate the professional relationship with the Bank, whilst also encouraging consistent results over time, in the conviction that these benefits are also conducive to a more effective and relaxed relationship with customers.

Human rights, DEI and Generational Transition

Within a broader context, it should be highlighted that, in continuity with the BG Network's new organisation introduced in 2024, the Bank forged ahead with its commitment to supporting inclusion, generational transition and sustainability.

Great attention is paid to new generations, considered a key element for the future of private banking. In this regard, efforts are not limited to attracting new talent, but also include initiatives and projects aimed at enhancing Financial Advisors' skills, fostering their integration and growth path within the BG Network. All this led to the launch of the **BG People** project. Within the broad BG People project, aimed at enhancing various Diversity areas within the BG Network, an initiative was launched in 2025 to introduce the role of the Trainer, making the most of the experience of senior Financial Advisors thanks to their involvement in the professional growth path of their more junior colleagues. This project is organised into multi-year training courses for the benefit of both senior and junior Financial Advisors, who are supported through a mentorship programme based on shared values, a sense of belonging and team identity.

In 2025, the enhancement and development of Human Capital continued, in particular with the promotion of the **teamwork model**: this approach allows, on the one hand, to create synergy among the best skills of different professionals and, on the other, to ensure an effective generational turnover, facilitating handover between senior and junior Financial Advisors and guaranteeing high standards for customers, even in light of increasingly significant portfolios. Teams, made up of a minimum of two bankers, involve more than 400 Banca Generali Financial Advisors managing over 20 billion euro assets. This model was promoted through a roadshow dedicated to the BG Network, highlighting results, strengths and potential for a successful generational transition.

Among the main initiatives engaging Financial Advisors on DEI matters, 2025 saw the continuation of the **Inclusive Leadership Program**, a course launched in the previous year and focused on awareness-raising and training initiatives addressed to Financial Advisors and Network Managers, aimed at enhancing the prevailing mindsets in terms of gender, age, culture and experience. In 2025, another event was held for physical and digital sharing, with the participation of prestigious external guests to discuss diversity and inclusion matters in a constructive manner.

Training and upskilling

In 2025, Banca Generali continued to invest significantly in training programmes for the BG Network. Most of these initiatives were implemented with a view to upskilling, through a wide range of technical and managerial training courses¹⁰².

¹⁰² For further information, see Section "S1-13: Training and skills development metrics" in "ESRS S1 – Enhancement of Human Capital – Financial Advisors".

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S1-5

Banca Generali S.p.A. believes that Financial Advisors' training is a strategic pillar and, although a specific objective has not been set, it deems important to develop and monitor it over time, as it is a key lever to boost the Network's expertise and offer high-quality advisory.

To support this commitment, the Bank has developed a structured measurement system that analyses annual average training hours per Financial Advisor — broken down by gender and type — in addition to the number of professionals who complete dedicated training each year.

In line with the strategic projects addressed to the Network, monitoring of ESG training provided to Financial Advisors continued, particularly focusing on Sustainable Advisors — a key role in sustainable investment advisory — who were provided a total of 8,880 training hours. This indicator is included in the "Sustainability Dashboard"¹⁰³, a reporting tool that the Bank uses to also systematically measure the KPIs linked to the material topics identified in this regard.

In parallel, particular attention was also paid to inclusion and enhancement of different generational perspectives. To this end, the Bank monitored specific indicators linked to the Network's rejuvenation, such as the number of under-40 Financial Advisors recruited, in line with the strategic guidelines of the BG People project, who were provided targeted training through the BG New Generation programme. Moreover, the Bank also monitored the number of Financial Advisor Teams that hold a key role both in the handover process between senior and junior Financial Advisors and in the creation of skill synergies among professionals.

Characteristics of non-employee workers in the undertaking's own workforce

S1-7

The quality and efficiency of the BG Network determine the level of customer satisfaction. Financial Advisors play a very delicate role, as they work in a sector where reputation is the most valuable asset. The range of products and services, supported by advice from qualified professionals, places customers at the heart of the Bank's mission.

Over the years, Banca Generali's Network evolved through both the aggregation of various networks of financial advisors and private banks, and the progressive recruitment of highly skilled professionals on the financial services distribution market, attracted by the Bank's business model.

With reference to Assoreti's scope, the Banca Generali Network is entirely based in Italy and consists of Senior Partners, Wealth Managers, Private Bankers, Financial Planners, Financial Planning Agents (FPA), who collaborate with the Company as freelance professionals, and Relationship Managers, who collaborate with the Bank under an employment contract¹⁰⁴.

NUMBER OF NON-EMPLOYEES IN THE BG NETWORK BY GENDER

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Financial Advisors	459	1,887	2,346	445	1,846	2,291

At the Assoreti system level, the number of Financial Advisors operating in the main companies surveyed increased by about 4% in 2025, from 22,158 Financial Advisors recorded at the end of 2024 to 23,007 at the end of 2025. In detail, Banca Generali owns one of the most important networks of Financial Advisors in Italy: at 31 December 2025, the BG Network included 2,346 Financial Advisors, with an increase of 55 compared to the same period of 2024 (+2.4%), in addition to 59 Relationship Managers, for a total of **2,405 professionals** within the Banca Generali Network.

¹⁰³ For further information on the Sustainability Dashboard, see section "GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies".

¹⁰⁴ It should be noted that, by virtue of their contractual relationship with the Bank, data referring to Relationship Managers is accounted for in the Chapter dedicated to employees (ESRS S1 – Enhancement of Human Capital – Employees).

This improvement was mainly due to the recruiting activity performed in 2025, which led to the hiring of 105 new agents with sound experience in the sector¹⁰⁵.

This increase allowed Banca Generali to confirm its fifth place within the Assoreti market, with a market share of 10.2%.

The increase in the number of Financial Advisors operating within the BG Network and the Bank's leadership within the Assoreti market, both in terms of net inflows and assets per-capita, are also a proof of the improvement in the BG Network quality.

The female presence in the Banca Generali Network increased steadily (both in absolute and percentage terms) and accounted for about 19.6% of the total. Overall, the number of women choosing financial advisory as a professional field has sharply increased in recent years, with a significant part of them coming from the traditional banking world.

The BG Network continued to show a high retention level, as confirmed by an average length of service of 13.2 years, also thanks to the Banca Generali's attractive proposal compared to the market.

NUMBER OF NON-EMPLOYEES IN THE BG NETWORK BY AGE BRACKET

	31.12.2025 (YE HC)				31.12.2024 (YE HC)			
	< 30 YEARS	30-50 YEARS	> 50 YEARS	TOTAL	< 30 YEARS	30-50 YEARS	> 50 YEARS	TOTAL
Financial Advisors	70	568	1,708	2,346	61	553	1,677	2,291
Percentage	3%	24%	73%	100%	3%	24%	73%	100%

S1-13

Training and skills development metrics

In 2025, the market context was characterised by great complexity, mainly due to the geopolitical situation and macroeconomic uncertainties. In this scenario, Banca Generali intensified its training programmes, both in-person and online, to provide its Financial Advisors with the necessary skills to respond professionally and promptly to customers' requests.

As the Bank launched numerous products and services in 2025, training played a strategic role in keeping abreast the entire BG Network in timely manner and with high-quality standards. The innovative **My Academy project**, the Academy offering **Banca Generali's strategic training courses**, continued to play a crucial role thanks to the collaboration with Borsa Italiana Euronext. This project involved the best academic professionals to increase Financial Advisors' skills. One of this year's main novelties was the launch of **BG Home - La mia home page** (My home page), the new single point of access to Banca Generali's applications and features dedicated to the BG Network, for which training played a key role during the go-live and the roll-out to the entire BG Network.

In 2025, attention continued to be paid to the **corporate** topic and to **sustainability** through the training path offered to Sustainable Advisors.

This year as well, the **BG LAB training platform** renewed its content and user experience, responding to the changing training needs. Great attention was paid to **artificial intelligence**, both from a training point of view and to improve the platform, with the aim of making it increasingly future-proof.

In general, the training programmes targeted to the Network are organised based on two main areas:

- › **managerial and relationship training**, in support of the role of Financial Advisors and for developing the skills and behaviour that set them apart from the rest of the market;
- › **high-profile technical/commercial and institutional training**, which takes account of the customers' evolving needs over time and the regulatory developments.

¹⁰⁵ It should be noted that these new hires refer to non-employed Financial Advisors and do not include Relationship Managers.

Relationship and managerial training: it is designed to strengthen the role of the Financial Advisor, improving awareness and mastery of communication techniques and relational methods to be adopted with Customers. Furthermore, it aims to strengthen the team management skills and leading capabilities of the various managerial figures, guiding them through continuous development training courses to foster constant professional growth, aimed at addressing ever new challenges with professionalism and competence.

BG New Generation Training course for new recruits	In 2025, following the training sessions of the BG New Generation course completed in the previous year, a follow-up day focused on the stages of commercial negotiation and the negotiation skills necessary for managing the objections and resistance of Customers and Prospects. The initiative aimed at exploring useful approaches and techniques for understanding different communication and behavioural styles, in order to further refine customer relations. In line with the value that Banca Generali places on young Financial Advisors and to their professional growth, in 2025 the BG New Generation project was continued and further expanded. This training path is centred on young newly-recruited Financial Advisors, accompanied by trainers — specifically selected senior Financial Advisors — with whom they had the opportunity to explore various topics, methods and strategies with the aim of further increasing their knowledge and skills related to the Financial Advisor role.
Enhancement of the Executive Manager Role	In 2025, the Bank strengthened the Executive Manager role through training initiatives and structured occasions for discussion, in addition to promoting the consolidation of leadership, people management and commercial coaching skills, with a particular focus on team management, talent enhancement and increased managerial efforts at local level.
Focus Group on the Banca Generali Advisory Model	About 65 selected Financial Advisors participated in several one-day focus groups as part of the Banca Generali Advisory Model project: an occasion for discussing the objective of creating a commercial model capable of offering Customers bespoke, high-value solutions. The most effective commercial activities and best practices were mapped with a view to better meeting customers' needs and increasing the efficacy of commercial actions.
Leadership Program	The Inclusive Leadership Program, launched in 2024, promoted linguistic intelligence and communication skills as key levers for inclusive leadership and for developing long-term trust-based relationships. Initiatives continued in 2025 with training activities and occasions for discussion, such as “Eccellenze a confronto” (Comparing examples of excellence), aimed at valuing diversity of mindsets and spreading inspirational models across the Network.
Le parole che contano (The words that count)	Another new feature for 2025 was the training course “Le Parole che contano” (The words that count), a path aimed at transforming language into a strategic tool for Financial Advisors' professional life. The attendants analysed how language can become a powerful tool for creating deep connections and achieving professional success.
AI catalogue	With a view to providing further insight into the conscious and productive use of Artificial Intelligence, a series of webinars was organised — “Artificial Intelligence: un alleato in più per lavorare meglio” (AI: an extra ally to work better) — aimed at the entire Network on the use of Copilot and its potential for increasing work productivity.
Recruitment, recruitment follow-up, and recruitment relaunch	Building on the key points and areas for improvement identified at the Leadership Meeting in Budapest, a series of management classes dedicated to Recruitment was organised for all Network Managers, including selected Executive Managers, with the purpose of further investigating the activities to be carried out before, during and after the decision-making process regarding the potential and current candidates. These activities boosted the ability to attract and select the best talent and to train candidates so that they engage at the most crucial moments.
Selezione Donne (Women's selection)	In the second half of 2025, a selected team of Financial Advisors was offered the “Selezione Donne” training path, designed to share useful strategies, tools and practices to identify and attract the top female talent in the financial sector. Building on the attendants' experience, the path aimed at fine tuning a common approach to recruitment, boosting relational skills in line with the Bank's identity and values.
Team coaching – Managerial development programmes	As every year, the strengthening of the management team, consisting of Sales Managers, Area Managers, WA Managers and District Managers and Executive Partners, continued through personalised team coaching courses. This tailor-made training helps strengthen the coaching role in managing the important challenges faced by the Bank and support managers in ensuring the professional growth of their teams.



Commercial training focuses on products and services to reinforce the BG Network's competencies and knowledge and its ability to provide a holistic advisory service to meet customers' needs.



BG Stile Esclusivo

The first half of 2025 saw the launch of the new hybrid product BG Stile Esclusivo, for which more than thirty face-to-face training sessions were provided to analyse the product's technical characteristics, its potential and the main storytelling approaches able to best promote this solution among different customer targets.

BG Home

After the first pilot phase, 2025 saw the full roll-out of the "BG Home – La mia home page" (My home page) project, the new single point of access to Banca Generali's applications and features dedicated to the BG Network.

Masterclass: the entrepreneur customer

Three editions of the "Masterclass: the entrepreneur customer" path were held in 2025 to increase Banca Generali Financial Advisors' technical skills in managing corporate customers.



BG International

In 2025, the strategic focus on the BG International project was confirmed, with the provision of a webinar open to the entire BG Network and seven in-presence training sessions involving more than 400 Financial Advisors selected from among all Local Areas. These activities were attended by the Strategic Sales Manager of reference and the HQ Specialists, who together provided a detailed update on the project's progress and its strategic, commercial and operational aspects.



Sustainable Advisors

Following the introduction of the role of Sustainable Advisors and the strategic central role they play in Banca Generali as Specialist Advisors on sustainable investments, ad-hoc training continued in 2025 as well, in collaboration with the Strategic Sales Manager of reference. Five in-presence training events and six webinars dedicated to ESG matters were held, involving high-standing academic teachers and ambassadors. The year saw also the start of the training course "Sustainable Messengers: Public Speaking", focused on boosting the public-speaking skills of the "Messengers" — ambassadors selected from among Sustainable Advisors. The course explored the most effective public-speaking techniques to communicate with authenticity, self-confidence and consistency the sustainability values relevant to the Bank and crucial to the role of Messengers.



ESG Advanced training:

- 1) EFPA ESG Advisor certification
- 2) "Parlare Bene della Sostenibilità" (Speaking well about sustainability) training sessions

In line with the previous year, ESG advanced training continued also in 2025. Two editions of the training programme for obtaining EFPA ESG Advisor Certification were held in 2025, again in exclusive partnership with PoliMi (Graduate School of Management of Politecnico di Milano). A pool of Financial Advisors analysed in detail all the aspects of ESG investments, attending 12 two-hour webinars that offered them the opportunity to exchange opinions with PoliMi teachers and increasingly improve their dialogue with customers on ESG matters, integrating ESG solutions into the range of product offered. Launched in 2021, this training path has been attended by more than 480 Financial Advisors to date.

In line with the previous years, in collaboration with MainStreet Partners and thanks to constant participation of the Strategic Sales Manager of reference, 10 classrooms were also delivered in the different Local Areas to consolidate the ESG knowledge and skills of more than 140 selected Financial Advisors.

Certificates

A face-to-face training course on Certificates, offered on a voluntary basis, was organised in 2025, held by Banca Generali's Assets under Administration team, which analysed the characteristics and potential of the products offered to Customers, as well as the services and supporting materials available to the BG Network.



My Academy

In continuity with previous years, My Academy was confirmed in 2025 as well. This innovative project on technical and relational topics was provided in collaboration with Borsa Italiana Euronext and, from February to December, involved more than 1,400 Banca Generali Financial Advisors in a personalised and long-term training pathway.

On-demand webinars

In addition to the pre-established training plan, in 2025 as well, in collaboration with the Product team and the Sales Management team, several on-demand webinars dedicated to key topics, updates and new products and services were held.

Welcome Program

The **Welcome Program** project, dedicated to all Financial Advisors joining the Banca Generali world, was confirmed. This project included two face-to-face days at the Generali Tower in Milan, aimed at facilitating the knowledge of the Heads of the main Departments and presenting the wide range of services, products and solutions offered by the Bank, so as to meet the needs of customers even more effectively.

Institutional and mandatory training

Throughout 2025, Banca Generali offered a wide-ranging **institutional training** programme, aimed at professionally refreshing Financial Advisors, in compliance with **MiFID II**. Designed to offer high qualitative standards, the programme offered online courses on the proprietary BG LAb platform, allowing not only to fully comply with the applicable provisions in force, but also to boost Financial Advisors' skills and knowledge.

The training plan, developed in collaboration with expert teachers and prestigious partners, included a series of e-learning courses lasting a total of 31 hours, with a learning assessment at the end of each training module. The annual refresher also included a module on **ESG matters**, particularly focused on **communicating sustainability content** in a clear, accessible way, in line with customers' needs.

The MiFID II refresher was further expanded with a specific in-house course on **wealth transfer taxation** held in collaboration with a tax expert. After completion of all planned courses, Financial Advisors received the certification necessary to provide the advisory service in 2026.

In line with the provisions of the Italian Institute for the Supervision of Insurance (IVASS), the professional refreshing of the entire BG Network was also completed, through the delivery of e-learning courses on the BG LAb digital platform, lasting a total of 31 hours.

The **2025 Cyber Security Workshop** was held in the year to raise the awareness among Financial Advisors of cybersecurity and AI.

The 2-hour online course on Italian Law No. 231 "**La Responsabilità Amministrativa degli enti**" (The administrative responsibility of entities) was made available within the mandatory training plan provided for the newly recruited Financial Advisors.

AVERAGE TRAINING HOURS PROVIDED TO FINANCIAL ADVISORS

AVERAGE TRAINING HOURS (H)	31.12.2025	31.12.2024
Average training hours per FA	70	63
Average training hours per female FA	74	65
Average training hours per male FA	68	62

Total training hours in 2025 amounted to 163,564, up 14% compared to 2024. Average training hours per Financial Advisor were approximately 70, provided both online and through in-presence classroom sessions, the latter being predominant thanks to the My Academy project and the numerous face-to-face training projects implemented in the year.

Health and safety metrics

S1-14

In the same way as for its employees, Banca Generali promotes wellbeing and a safe work environment for the entire BG Network.

The Organisational and Management Model, constantly updated and addressed to the BG Network, regulates compliance with all the rules governing the proper management of accident-prevention and safety procedures, including the procedures introduced from time to time to contain biological risks within the work environment and avoid behaviour that could result in non-compliance with the relevant requirements.

The Internal Code of Conduct states the Bank's commitment to ensuring decent working conditions, safe and healthy work environments and the obligation for Financial Advisors to abstain from conduct contrary to said principles.

The operational sites where Financial Advisors are present are priorly checked by the Bank's competent structures to guarantee they fully comply with applicable laws in force.

The entire BG Network (100%) is covered by measures protecting occupational health and safety in the workplace.

S1-17**Incidents, complaints and severe human rights impacts**

No episodes of discrimination (including harassment) were reported in 2025 and no internal reports were made using the dedicated whistleblowing channels. In addition, no discrimination complaints or sanctions were recorded in the year.

Consumers and end-users - Quality of information

ESRS
S4

Material impacts, risks and opportunities and their interaction with strategy and business model

S4
SBM-3

Customers are among the key stakeholders of Banca Generali Group, whose mission is to be *“Trust-
ed professionals always by the customer’s side, developing and looking after their life plans”*.

This mission statement is concretely reflected in the Banking Group’s service model, built to meet customers’ needs in a holistic manner and support them in the comprehensive management of their wealth, fostering, promoting relationships based on trust, transparency and responsibility. This model is based on two key elements:

- › a wide, diversified range of products and services designed to ensure adequate diversification and/or risk mitigation;
- › a highly specialised advisory service provided by the BG Network, which is able to identify, anticipate and monitor over time Customers’ needs and goals.

This people-centric approach and the quality of the Financial Advisor-customer relationship are supported by an ongoing commitment to ensuring **quality information**, i.e., correct, understandable, accessible and non-misleading information. Information clarity and quality are essential to safeguard Customers’ interests and enable them to make informed decision, in line with their financial profile and their preferences, including with regard to sustainability.

Providing quality and accessible information is a prerequisite and a distinctive element of Banca Generali Group’s business model, as it results in effective advisory, strengthens trust and contributes to creating long-term value.

The focus on information quality and accessibility is closely related to the Banking Group’s business model, which stands out for its range of investment products and services that not only consists of traditional financial instruments, but is also conceived to meet growing sustainability-related requirements. According to MiFID II, it is essential that Financial Advisors and intermediaries take into account the Customers’ investment and sustainability preferences during the advisory process: this is a crucial step not only to comply with regulatory requirements, but also to maintain and strengthen customer trust.

In fact, non-alignment with customers’ ESG preferences may trigger a potential medium/long-term **risk** of non-compliance in Business Activities: failure to meet customer expectations can result in the loss of Customers and, consequently, in a potential **negative impact** on the Bank’s reputation and financial results.

This is accompanied by the risk linked to the quality, completeness and adequate clarity of information provided to customers: inaccurate, untimely communication may actually give rise to misunderstanding regarding the effective ESG alignment of the proposed solutions, amplifying the risk that the products and services offered by the Group are not in line with Customers’ expectations.

To assess the materiality of the risk identified, Banca Generali Group has taken into account its total Customers, in consideration of the type of Customers to whom the range of investment and advisory products and services is targeted.

In this regard, the Banking Group has been embedding ESG matters into its decision-making and operational processes for several years now, ensuring that the products and services offered are in line with its Customers’ values and needs and that transparent and high-quality disclosures are always provided.

Policies related to consumers and end-users

S4-1

Customers are a key stakeholder of the Banking Group, which is committed to ensuring respect for professional ethics, honesty and transparency — the significant values and principles that are the foundation of its way of doing business. These principles are embedded in the most relevant company policies mentioned here below, and guide the way in which the Group and its Financial Advisors interact every day with customers, thus contributing to consolidating a relationship of trust.

Internal Code of Conduct

In general, customer relations are guided by compliance with the following principles, stated in the **Internal Code of Conduct** of Banca Generali Group:

- › conducting business in compliance with the law, internal normative documents and professional ethics;
- › promoting the culture of sustainability in all of its spheres of influence, contributing to economic and social development based on environmental protection and respect for fundamental human and labour rights;
- › processing personal data in a manner respectful of data protection rights, while ensuring it is inaccessible to third parties, except for fully justified reasons or in the presence of a specific external mandate;
- › avoiding any conflicts of interest and, where it is not possible to do so, managing them in such a way as not to result in harm to the Bank or its customers;
- › guaranteeing free competition — fundamental to the development of company business and results;
- › providing comprehensive and accurate financial disclosures, as well as information on products and services, so that Customers can make informed decisions;
- › combating all forms of bribery and corruption;
- › opposing any conduct that could be intended as supportive of money laundering and financing of terrorism;
- › pursuing customer satisfaction — a key factor to the Bank's strategic vision.

Commercial and Product Governance Policy and the Policy on the Provision of Investment Advisory Services

In 2025, Banca Generali S.p.A. continued to implement rigorous policies, such as the **Commercial and Product Governance Policy** and the **Policy on the Provision of Investment Advisory Services**, to manage the potential risk that its offering is not aligned with the evolution of the applicable regulatory framework, identified by the double materiality analysis.

The two Policies highlight the approach adopted by the Bank, geared towards placing full alignment with Customers' needs and preferences at the centre of its strategy, by integrating these elements, including sustainability preferences, at every stage of the construction of the product range. This approach is reflected in the selection and monitoring of products, which range from managed and insurance solutions to assets under administration and banking services.

Sustainability Policy

With regard to transparency — a key element of disclosure quality—, the Bank has adopted rigorous policies and procedures to ensure that all information provided to customers in the provision of investment services complies with the requirements of the relevant regulations; particular attention has been paid to the requirements set out in Regulation (EU) 2019/2088 (SFDR) for ESG products pursuant to Article 8 or Article 9, and to the quality of advertising and promotional communications, to ensure they are accurate, clear and non-misleading. In particular, the aforementioned Sustainability Policy has been adopted to define the ESG investment framework, together with other internal normative documents that clearly set out the related control measures.

Moreover, with regard to sustainability topics, the integration of the ESG framework in risk governance is aimed at ensuring the Banking Group's business solidity and continuity. The ESG risk management framework, as outlined in the Sustainability Policy, provides for the analysis of best practices and regulations, the identification of ESG risks, their integration in the Risk Appetite Framework and the related reporting process.

S4-2

Processes for engaging with consumers and end-users about impacts

The Banca Generali S.p.A. business model is centred on the relationship of trust between the Customer and the Financial Advisor — a key point of contact, ensuring that the Customer's needs are collected and effectively communicated to the Company.

In recent years, the Bank has also been able to collect insights through data analytics processes performed in compliance with applicable data protection regulations, with the aim of identifying customer trends, needs and aggregated patterns.

Furthermore, in accordance with applicable regulations in force, Banca Generali is able to develop and offer its customers, in particular institutional customers and High Net Worth Individuals (HNWI), dedicated products and services that take into account their specific needs and characteristics. Within this context, following the merger of Intermonte SIM into the Banking Group in 2025, opportunities for business synergies increased, particularly with regard to entrepreneurial Customers.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

S4-3

Banca Generali Group offers its Customers several **channels to get in touch with the Bank, request assistance, communicate their needs or lodge a complaint**. These channels are specified in the pre-contractual documentation and on the Bank's website.

Customers may ask for assistance or information from the BG Network. **Financial Advisors are tasked with providing commercial assistance to customers as they** offer personalised and professional support aimed at responding to the needs of the Customers they assist on an ongoing basis.

Banca Generali has activated a free **phone banking and e-mail service** (BG Vale) through which customers may request a wide range of information, including their total asset value, balance, movements and bank details, and make reports on personalised assistance needs.

Another formal channel available to Customers is the **Contact Center**, the Bank's internal structure made up of two operational units: the **Customer Care**, which assists Customer, and the **Network Support**, which assists managers and Financial Advisors. Customers contact the Customer Care service for assistance with Internet browsing, for information and assistance relating to passwords and access codes, for information and/or transactions involving current accounts, for support with debit/credit cards and financial investments, and for assistance with the trading platform. Financial Advisors contact instead the Network Support service for assistance with platforms and applications reserved to them, for information and assistance on Customers' positions and for operational support on new products.

Particular care and attention are devoted to the needs of customers: complaints are considered an important element in identifying issues in the quality of the services offered, and consequently proceeding to improve them. As further proof of this, the contract law describes in detail how to lodge complaints and the related response times, as well as the possibility of filing for arbitration appeals in case of dissatisfaction.

Customers may lodge complaints in writing by post, fax, telegram, e-mail, certified electronic mail or by hand-delivered letter addressed to branches and private centres, as well as to agencies or other offices of the Bank. Banca Generali's **Legal Affairs Network Litigation and Complaints** structure is responsible for managing reports, including through the verification of complaints, and for preparing the related responses. The website contains specific information on the management of complaints relating to any behaviour or omission attributable to the Bank with regard to the services it provides. This information section provides the links to the service of the dispute resolution bodies (Banking and Financial Ombudsman and Financial Disputes Ombudsman), which customers may, if necessary, resort to. Section "Transparency" provides the practical Guidelines on Banking and Financial Ombudsman (ABF) and the Financial Disputes Ombudsman (ACF).

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

S4-4

To manage the potential risk of Business Activities in the short, medium and long term, Banca Generali monitors Customers' sustainability preferences, ensuring that the model for collecting such preferences is in line with the indications provided by the regulator and integrating this information into the processes aimed at defining the range of products and services offered (in the broader context of product governance) and at aligning the commercial strategy, thus overseeing the entire value chain.

Banca Generali has adopted an important control measure: the **product governance process** for properly distributing financial products. This process involves an analysis of the customers' needs and characteristics, thus allowing to identify the target market for the financial instruments. The Bank provides for an **ongoing assessment of its products and service range**, monitoring any changes that might affect the target market, also in relation to the sustainability characteristics of the products. On an ongoing basis, specific events are identified that may require a review of the target market and that may be both external (such as changes in market conditions) and internal (such as variations in Customers' characteristics). The Bank has also set up blocking controls in the event that the customer is not compatible with the product's target market. The control functions support monitoring, the outcome of which is periodically reported to the Bank's top managers.

With regard to **advertising and promotional communications**, the approval process adopted is aimed at ensuring clarity, accuracy and transparency, with particular attention to communications on the product's sustainability characteristics. All materials created and transmitted by the Bank (brochures, videos, etc.) are shared among the Functions responsible for the products and services advertised and are submitted for verification to the Legal Function, which ascertains their regulatory compliance, and, where necessary, to the Compliance Function for further checks. Regardless of the channel used, the Bank complies with the provisions of the applicable regulations on the matter, ensuring that the information is clear, non-misleading and consistent with the available contractual and offer documentation. As a further control measure, the Bank carries out *ex-post* checks, monitoring the suitability of the practices adopted and the progress of advertising campaigns, in addition to managing the removal of obsolete materials.

As part of the **measures adopted to mitigate greenwashing**, the Bank verifies the ESG information contained in the promotional materials and guarantees that it is consistent with the relevant regulatory documentation. Furthermore, the Bank takes action when specific events occur that may entail potential greenwashing risks — such as market news, changes in products and reports from supervisory authorities — and may initiate a dialogue with the financial partners or the issuers to clarify any doubts as to the transparency of ESG information.

Within this context, in 2024 and 2025, Banca Generali Group implemented a project to ensure that its range of products was fully aligned with "ESMA's Guidelines on funds' names using ESG or sustainability-related terms". This project entailed an analysis of regulatory requirements and the mapping of the BG Fund Management Luxembourg and Banca Generali products involved, which include Sicavs and portfolio management solutions, with a view to assessing their compliance with the new European standards. Activities included targeted actions on the product documentation and the enhancement of disclosure, followed by a revision of the names of the products with regard to sustainability-related terms, without changing their characteristics, strategy and classification; this was in line with the regulatory developments and the updates to the Sustainability Policy and the ESG Guidelines, aimed at increasing transparency and exclusion criteria.

A crucial role in ensuring that customers are provided quality information that is correct, transparent and non-misleading is played by digital accessibility. This consists in making IT tools and content (e.g., software, websites, applications, documents and digital communications) accessible also to persons who, due to their disabilities, need to use assistive technologies or specific setups. In this regard, in 2025 the documentation and forms published on Banca Generali's commercial website (www.bancageneraliprivate.it) were amended, changing, for example, the economic terms of products, practical guidelines, information on complaints, notices and forms linked to banking and financial services, as well as the contractual documentation, with a view to making it accessible in accordance with the applicable regulations, ensuring compliance with the regulatory standards. Another project will follow in 2026 aimed at fine tuning and strengthening the Banking Group's control measures.

S4-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Banca Generali Group did not identify any specific targets related to the potential risk linked to quality information; however, it ensures constant attention to its customers thanks to informative and educational communications and the dedicated training provided to the BG Network.

Consumers and end-users – Cybersecurity and data protection

ESRS S

Banca Generali Group believes that properly managing personal data and protecting customers' information assets are essential to safeguarding its business and the relationship of trust with its Customers.

Accordingly, the Bank is committed to adopting specific measures aimed at guaranteeing fair, transparent processing of its Customers' personal data, as well as the compliance of its policies with the regulations in force. At the same time, Banca Generali Group defines specific procedures for managing any events of personal data breach, and provides, where appropriate, for dedicated communication channels with the parties involved.

In addition, ongoing technological evolution and greater IT system interconnection have also resulted in a potential risk of cyber attacks, which could expose the Banking Group to economic and financial losses. For this reason, in order to ensure utmost attention to cybersecurity and system security, the Banking Group has adopted and maintains specific measures necessary to promptly responding to potentially harmful cyber events.

Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

Given the importance the Banca Generali Group places on protecting its Customers' personal data, "Cybersecurity and Data Protection" was classified as a material topic, highlighting both a material **negative impact** and a material **risk** for the Bank. In particular, a potential **negative impact** was identified in connection to data protection breaches and the dissemination of confidential information due to ineffective IT security system management and to improper protection of Customer's data.

A case of breach of personal data or dissemination of confidential information could translate into a potential material **risk** for the Bank, as the loss or leak of Customers' sensitive data could have significant repercussions on Banca Generali Group's reputation and competitive positioning, jeopardising Customers' trust and causing a possible erosion of the customer base and business volumes. This scenario could also lead to negative direct financial impacts, not only in terms of lower profitability and competitiveness, but also through the emergence of compensation obligations towards Customers, the initiation of legal actions or disputes, as well as the imposition of administrative sanctions by the competent Authorities, resulting in additional operating and legal costs for the Bank.

The **impact** and **risk** identified refer to the Core Operational Activities of the Bank's value chain, with a potential material **negative impact** over both the short, medium and long term and a material **risk** in the short term.

To assess the materiality of the above-mentioned impact and risk, the Bank has taken into account, where applicable, its entire customer base to which its investment and advisory services are targeted. The type of customers served includes:

- › **Retail Customers:** these are retail Customers with more common and standardised investment needs;
- › **Professional Customers:** these are Customers with greater wealth and complexity, who require more personalised services and specific advisory;
- › **Qualified Counterparties:** these are Customers who meet certain criteria of experience and knowledge of the financial sector; and who may access more complex products and services;
- › **Private and High Standing Customers:** these are Customers with significant wealth who require asset management and advisory services, with a focus on bespoke solutions and advanced investment strategies.

S4-1

Policies related to consumers and end-users

Data Protection

Banca Generali Group considers safeguarding its information assets as fundamental to protecting its business and its relation of trust with its customers.

Proper management of the privacy of the parties with whom it has relationships (whether Customers, collaborators or third parties) in compliance with external regulations means intending to contribute to ensuring, in the short and long term, a high level of data integrity protection, as well as a data processing in line with the data subject's intentions.

With regard to the initiatives suitable for containing potential violations of personal data, Banca Generali has adopted the following main mitigation and prevention control measures:

- › adoption of policies on data protection, IT security and strategic direction on the matter of information communication technology (ICT);
- › use of specific systems and tools such as firewalls and antimalware and antivirus programmes, etc.;
- › provision of specific training courses for employees¹⁰⁶;
- › periodic revision of the control measures adopted in accordance with industry legislation;
- › constant assessment of the risks associated with the new personal data processing methods introduced by the Company;
- › initiatives to raise the awareness among people and customers of data protection and security to prevent any attempt of fraud by third parties.

Banca Generali Group has adopted the principles defined in the data protection legislation in force, in line with the General Data Protection Regulation (GDPR), integrating the provisions contained therein into its internal normative documents (**Personal Data Protection Policy**).

In addition, with effect from 2019, Banca Generali has implemented a framework for constantly monitoring the potential risk of fraud against the Banking Group and its Customers in order to ensure the efficacy of the system for preventing and managing this phenomenon, with a view to protecting the Banking Group's solidity and profitability, as well as its brand reputation.

In its capacity as Controller pursuant to the GDPR, Banca Generali is accountable for the functioning of this framework, in line with the provisions contained in the document publicly available from its corporate website.

Security

Banca Generali Group has adopted a series of internal policies aimed at guaranteeing continuous improvement in the protection of company resources against security risks.

Security Policy

In the highly competitive context of the financial sector, Banca Generali Group is primarily responsible for protecting its tangible and intangible assets, guaranteeing their security against several types of cyber, IT and environmental threats. The Security Policy, which applies to Banca Generali and its subsidiaries, defines the principles, objectives and responsibilities regarding security matters, covering the following areas of integrated action:

- › **Cybersecurity**: detection of threats, management of IT vulnerabilities, protection of digital networks and services and coordination of monitoring activities, detection of and response to cybersecurity events and incidents;
- › **IT Security**: protection of data and information systems from unauthorised access, improper use, unauthorised disclosure, blocking, modification or deletion, thereby ensuring the confidentiality, integrity, availability and authenticity of information;
- › **Physical Security**: protection against potential physical/environmental threats and management of potential security events or incidents at workplaces, branches and private offices;
- › **Corporate Security**: intellectual property protection, mitigation of potential threats and management of security aspects at the most significant corporate events;
- › **Business Continuity**: definition of the operational continuity strategies, identification of priorities and development of plans to address crises of a different nature;
- › **Fraud Management**: protection of the integrity of banking operations to safeguard the Bank and its customers.

In order to guarantee adequate implementation of its principles and objectives, Banca Generali has adopted internal security processes in line with international best practices (e.g., NIST Cybersecu-

¹⁰⁶ Courses will be provided to the Financial Advisors and to the employees of the subsidiaries in 2025.

ity Framework). Said processes, which were revised following the requirements laid down by the Digital Operational Resilience Act (DORA), consist of the following phases:

- › **Identify:** the objective of this phase is to identify security risks and assess exposure, taking into account the evolution of threats, the impacts on the company in the event of security incidents or breaches, and the regulatory requirements. This phase provides for risk analyses, always in line with the Continuity Management processes;
- › **Protect:** this phase is aimed at defining the security measures to be implemented to protect the Bank's resources, in light of the risk assessments carried out in the previous phase, updating the Bank's Operational Security Plan and the Information Security Training and Awareness Plan;
- › **Detect:** this phase focuses on ensuring ongoing monitoring of the potential threats and identifying the occurrence of security incidents, through prompt detection of anomalous activities, while also enabling the assessment of the potential impacts associated with them. This phase also entails the implementation of monitoring and analysis safeguards and the organisation of operational resilience test campaigns;
- › **Respond:** this phase aims at implementing the most appropriate measures to contain the impacts of security incidents, through definition of adequate strategies and structured incident management processes to promptly launch mitigation activities, ensuring alignment with the incident management processes of the main ICT service providers;
- › **Recover:** this phase is aimed at developing operational resilience plans (including disaster recovery plans) to restore the capabilities of the ICT processes and services involved in a security incident, ensuring prompt recovery of IT processes and systems.

The Policy provides for a dedicated organisational structure within Banca Generali. The Policy provides for a dedicated organisational structure for security within Banca Generali, with governance and control functions across all Group companies. The role of Chief Security Officer (CSO) is responsible for the protection of IT and physical resources and the Company's information assets. The CSO is tasked with drawing up the Security Annual Report, which summarises the implementation progress of initiatives, critical accidents recorded and training and awareness-raising activities undertaken.

The most recent update of the Security Policy, approved by the Board of Directors of Banca Generali in 2025, incorporated the requirements laid down by the DORA (Digital Operational Resilience Act – Regulation (EU) 2022/2554). The update of the Security Policy and, in general, of Banca Generali's set of related internal normative documents enabled to strengthen:

- › the definition of security-related roles and responsibilities for steering, implementing and controlling the operational resilience strategy of the Bank and its subsidiaries;
- › the management of cybersecurity and ICT incidents and threats to improve the efficacy of event detection and management, including incidents related to online payment security, as well as alignment with the incident-management operational procedures adopted by key Providers/Outsourcers;
- › the methodology for assessing ICT third party security risk through security risk analysis methods, on-site assessment criteria and ongoing monitoring of the providers' security posture;
- › the requirements for drawing up a digital operational resilience test plan (including disaster recovery tests on critical providers) and the evolution of the Business Continuity Management Plan;
- › the monitoring of KRIs/KPIs, with operational thresholds and specific reporting flows towards control functions.

Strategic Guidance Policy on Information and Communications Technology (ICT Policy)

The information system (including technological resources — hardware, software, data, electronic documents, digital networks — and the human resources dedicated to their management) is a fundamental tool for the achievement of the Bank's strategic and operational objectives, in consideration of the critical nature of the business processes that depend on it.

For these reasons, the Bank has defined a clear vision and an effective mission with regard to Information and Communication Technology (ICT):

- › the Banking Group's ICT vision considers ICT services to be an important business driver, and therefore sees the technological structure as one of the key factors for achieving strategic objectives;
- › the Banking Group's ICT mission is to adequately support the implementation of the Bank's strategy in order to increase revenues, optimise costs and mitigate risks, concentrating on the corporate IT structure the focal point for all ICT management areas.

The ICT vision and mission guide the definition of the Banking Group's ICT strategy, which describes:

- › the alignment of the ICT strategy with the Bank's overall business strategy;
- › the effective support for the technological innovation and IT risk framework management process;
- › the spread of digital literacy within the Banking Group.

To ensure ongoing support to its corporate strategy, the Bank has defined its own IT model favouring flexibility and innovation and has promoted its continuous evolution by monitoring the context of reference (e.g., company strategies and policies, market trends, regulations), the choices made by market peer companies, the opportunities offered by technological trends (including the value proposition of service providers) and the IT threats applicable to the financial sector.

In this context, a full outsourcing model is the primary choice for ICT services.

In addition, the ICT Strategy aims at:

- › providing simple and appropriate technological tools to Customers, the BG Network and HQ Structures to enable them to effectively carry out their activities;
- › guaranteeing a sound and efficient management of the overall ICT infrastructure, in line with the best practices of the current competitive context;
- › safeguarding ICT security and digital operational resilience, as required by current regulations.

The ICT strategy is set on a three-year cycle, in line with the Company's Strategic Plan.

ICT and Cyber-Security Risk Analysis and Management Policy

Banca Generali's ICT and cyber-security risk assessment and management framework governs, in a structured manner, the process of detection, analysis, assessment and mitigation of ICT and cyber risks. It ensures that control measures are proportionate to the risk profile, the issues inherent in business processes and the value of assets, with particular attention to risks linked to ICT third parties in accordance with the full outsourcing model adopted¹⁰⁷.

Business Continuity Management

The most recent update of the Business Continuity Policy, approved by the Board of Directors of Banca Generali in 2025, incorporated the requirements laid down by the DORA (Digital Operational Resilience Act – Regulation (EU) 2022/2554). The update of the Business Continuity Policy and, in general, of Banca Generali's set of related internal normative documents has enabled to strengthen the operational resilience and response capacity of the Bank and its subsidiaries in case of highly impactful events that might compromise the continuity of Operational Activities, including non-cyber incidents. In detail, this Policy has consolidated:

- › specific roles and responsibilities for steering, implementing and controlling business continuity, in accordance with applicable laws and regulations;
- › a structured framework for identifying, managing and monitoring risks that may affect operational continuity (including the alignment of the Business Impact Analysis/Risk Identification Assessment with the DORA);
- › the minimum business continuity requirements to ensure the operation of critical business functions, including metrics and operational thresholds;
- › the guiding principles for preventing and responding to incidents, including ICT incidents, with escalation processes and operational alignment with the main ICT outsourcers/suppliers;
- › a response and recovery framework, detailed in the 2025 Business Continuity Plan approved by the Bank's Board of Directors and including the disaster recovery strategies;
- › an approach for planning tests and operational continuity and disaster recovery assessments, involving the main critical ICT service providers.

S4-2

Processes for engaging with consumers and end-users about impacts

In 2025, raising awareness of cybersecurity among the company population was a priority to increase the efficacy of security threat detection and improve data protection and operational continuity.

An awareness-raising plan on security topics was implemented and disseminated through periodic communications containing updates on main threats and guidelines with data protection practices to be adopted. The objective was to promote a proactive corporate culture, where each employee feels like an integral part of the security system and actively contributes to protecting the organisation.

¹⁰⁷ For further details, see Section "Risks and Uncertainties".

Anti-phishing campaigns were strengthened through the sending of ad-hoc e-mails to raise employee awareness of how to recognise malicious messages, including fraudulent attempts.

In parallel, initiatives addressed to customers were also launched, through information messages on the website and dedicated communications to raise awareness of IT risks and provide useful suggestions to protect personal data. These actions aimed at ensuring a common security approach, strengthening the overall protection of the corporate ecosystem¹⁰⁸.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

S4-3

A Data Protection Officer (DPO) has been appointed internally and tasked with overseeing the processing and protection of personal data. In addition, the Corporate Compliance Function, which is entrusted with second-line controls, is involved in monitoring and assessing the risk of non-compliance in this regard.

In 2025, an isolated case of data breach regarding customer information was recorded. Banca Generali Group activated the appropriate communication channels with the Data Protection Authority and implemented the required security measures.

With a view to avoiding and limiting possible cases of fraud, Customers are periodically reminded of good practices for managing access credentials with messages on Banca Generali's website. As regards employees, the Company has long implemented a phishing e-mail alert system that allows a process of checking suspicious e-mails to be activated by simply selecting a button on the control bar.

IT incident reporting and management are formalised in the Business Continuity Management Policy.

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

S4-4

The Bank's Security structure has implemented a series of actions aimed at mitigating material risks for all stakeholders of Banca Generali and its subsidiaries, including customers.

Security solutions

In 2025, Banca Generali forged ahead with its process of strengthening the security posture of the Bank and its subsidiaries, aligning control measures and processes to the requirements laid down by Regulation (EU) 2022/2554 (DORA, effective 17 January 2025), with the aim of:

- › updating internal normative documents and the control system and providing an adequate reporting, so as to ensure effective and prudent management of security risks and business continuity, in particular through the assessment of third parties and the execution of an operational resilience test plan on the ICT infrastructure and services;
- › designing security architectures and solutions to protect ICT systems, also against emerging technologies, thus guaranteeing data availability, confidentiality and integrity, and enabling authorised and controlled data access;
- › raising awareness and promoting secure conduct as an integral element of corporate culture;
- › developing a security event monitoring process more synergistic with the main outsourcers, and integrating new information collection and analysis methods to detect anomalous behaviour and potential data breaches and leaks;
- › strengthening the control measures to prevent, monitor and prevent fraud to customers;
- › formalising ad-hoc operational procedures for managing security events and thoroughly developing business continuity plans for the most critical processes, so as to ensure an effective response to potential crises.

Corporate and physical security solutions

In 2025, Banca Generali continued to strengthen its control measures on physical security, events and business travel:

¹⁰⁸ For further information, see Section "S4-4: Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions".

- › assessments were conducted at the main sites in Italy and abroad, with One Security checks on physical and technological controls and dedicated technical reporting;
- › a risk assessment model with a standardised Security Action Plan was applied to major events, including access measures, OSINT/intelligence activities and control measures across multi-site venues;
- › normative documents on business travel were updated, with implementation of a monitoring dashboard and monthly reports.

Business continuity

In line with the process launched in 2024, in 2025 Banca Generali updated its Business Continuity framework in accordance with the DORA regulatory requirements and industry best practices (ISO 22301). The scope of analysis for processes subject to the Business Impact Analysis was further refined, and a more conservative (“worst-case scenario”) approach was adopted in the Risk Identification Assessment with respect to the likelihood of potential service disruption scenarios. In addition, a more structured approach was implemented for planning measures and executing the related business continuity and recovery tests.

Furthermore, Banca Generali has also updated its crisis management model, establishing committees for handling such events, and finalised the communication plan with standard channels and messages.

Specific training courses were provided to all process owners, in addition to awareness-raising sessions for the entire company population, aimed at strengthening control over the Bank’s operational resilience.

Security awareness

With a view to raising awareness of security and operational resilience, in the 2024-2025 period Banca Generali implemented a training, awareness-raising and induction plan aimed at its employees, top managers, Board members, Financial Advisors and Customers. According to a risk-based approach, this programme identified the key topics and the related training methods. The awareness-raising programme provided for the implementation of periodic phishing simulation campaigns aimed at the company population, assessing the related efficacy KPIs and remedial actions. Employee workshops and crisis simulation (tabletop) exercises were conducted to train roles, escalation processes and decision-making under emergency conditions.

S4-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Although the Group has not defined specific quantitative objectives on these topics, it ensures ongoing monitoring and structured control measures, guaranteeing that its strategies and initiatives aimed at mitigating threats and protecting sensitive data are constantly advanced.

With particular regard to data protection, the Data Protection Officer (DPO) is responsible for liaising with the Controller, keeping the latter abreast of the activities undertaken to ensure compliance with applicable data protection regulations in force. In accordance with the Data Protection Regulation of Banca Generali Group, the Board of Directors of Banca Generali receives on an yearly basis — at meetings attended also by the Bank’s Board of Statutory Auditors — a DPO Report, illustrating (so-called “DPO Report”), which illustrates the activities undertaken in the year and those planned for the next one.

Activities referring to cybersecurity are constantly monitored and reported to the Bank’s corporate bodies. In detail, the Board of Directors, the Internal Audit and Risk Committee and the Board of Statutory Auditors are informed on an annual basis through a reporting tool called “Summary Report on the ICT and Cyber-Security Risk Situation”, which illustrates the residual risk level, the state of implementation of any risk mitigation measures, the evolution of threats associated with ICT use and incidents that occurred during the reporting period.

In addition, the Board of Directors and the Internal Audit and Risk Committee of the Bank receive an Annual Report on the state of implementation of security initiatives, on critical incidents occurred and on the training initiatives implemented.

Moreover, Banca Generali’s Risk Appetite Framework contains specific IT security risk indicators that are regularly updated and reported quarterly in the Tableau de Bord.

Entity-specific: Wealth Protection and Value of Service

ESRS S

As for the entire Italian private banking industry, Banca Generali is experiencing a deep transformation due to increased longevity, demographic changes and the acceleration of digital technologies. In this scenario, the management of the generational transfer, dialogue with increasingly innovation-oriented new generations, and the role of the Bank as a partner in support of the continuity of family and business assets become strategic elements for the future.

Within this context, “**Wealth Protection and Value of Service**” continued to be a key topic for Banca Generali Group, also in light of the double materiality analysis, according to which they generate two positive impacts on people and a financial opportunity as regards Business Activities. **The high quality of the advisory solutions offered**, together with **products and services designed to enhance and protect wealth over the medium-to-long term** and the support of **advanced platforms**, generates tangible benefits for customers and the whole private banking ecosystem, which translate into a **positive impact**. Moreover, **Artificial Intelligence** is a crucial enabling factor that allows to enhance internal efficiency, increase the productivity of the BG Network and improve the quality of the services offered to customers with a view to supporting future growth.

Within this scenario, **wealth protection** has become a strategic pillar of the advisory relationship: it goes beyond the protection of financial assets to also include the overall business, real estate, art and family assets. The solutions provided by the Bank allow to protect and increase value over time, ensuring stability and continuity, including in situations of generational discontinuity. This approach generates a **positive impact** in the short, medium and long term, **increasing customer trust, satisfaction and loyalty** and **strengthening the BG Network engagement and retention**.

In support of this vision, 2025 saw the expansion of the **range of protection-oriented products and services**, in particular with insurance solutions that combine new coverages and protection services, the introduction of protection strategies in the in-house funds offer and the launch of new assets under administration products with defensive strategies.

The year 2025 was also marked by other developments for Banca Generali Group: the **integration of Intermonte's expertise**, the development of the **new Insurbanking model** and the drive towards **internationalisation**, which are key drivers to strengthen the Bank's value proposition and generate a business **opportunity** for the Company in the short, medium and long term.

Policies adopted to manage material sustainability matters

MDR-P

Banca Generali has implemented a well-structured internal regulatory framework aimed at ensuring the **development of products and services** oriented to providing **utmost customer satisfaction**. Thanks to a wide range of qualified products and services, supported by advanced digital tools and platforms and integrated by Financial Advisors' holistic advisory service, the Bank helps its Customers to identify the solutions that best meet their needs and characteristics.

Internal Code of Conduct

In this context, all personnel is required to adopt suitable measures to safeguard Customers' rights on their assets held with the Bank and to always pursue high professional standards, with constant attention to Customer satisfaction, as required by Banca Generali's **Internal Code of Conduct**.

Commercial and Product Governance Policy

This framework is complemented by the **Commercial and Product Governance Policy**, through which the Bank establishes and formalises the principles and criteria adopted for defining and managing its commercial and product governance policies. The Policy takes into account the need to balance the Company's long-term profitability with the provision of a professional advisory service to Customers and an operational conduct based on the principles of transparency, propriety and diligence. In fact, it is essential that Customers be able to choose the most suitable options among the various products offered, obtaining adequate information on the nature and risks of the operations they intend to carry out, including information on sustainability risks. In detail, the Bank offers a wide range of financial, banking and insurance products — including open-architecture asset management services — complemented by non-financial services that support the management of customers' global wealth.

Policy on the Provision of Investment Advisory Service

The service model adopted by the Bank aims at enhancing the investment advisory service, which is characterised by a high level of personalisation focused on strengthening the relationship of trust with the customer. This model incorporates the so-called “advanced” advisory service, which stands out for the analysis and reporting offered to customers. In this regard, Financial Advisors play a crucial role in identifying customers’ needs and preferences. The principles and criteria that guide this service are defined in the **Policy on the Provision of Investment Advisory Service**, which states that personalised recommendations can only be provided if they are suitable for customers’ financial profiles and for their needs, in line with the provisions of applicable legislation and with the Bank’s specific procedures, which also require prior verification of the suitability of customers’ investments.

Circular on the Provision of Corporate, Real Estate and Art & Passion Advisory Services

Banca Generali adopts a holistic approach with regard to the services it provides to its customers, offering a comprehensive advisory service that extends beyond the financial component of Customers’ wealth to also encompass the non-financial dimension. In this regard, the Circular on the Provision of Corporate, Real Estate and Art & Passion Advisory Services aims to define the services dedicated to corporate, real estate and art & passion assets, as well as the process of selecting, assessing and monitoring partners and formalising agreements with them.

Financial Partnership Policy and Sustainability Policy

With the ongoing objective of acting in the best interest of Clients, Banca Generali selects its financial partners from among those with the highest standing and value in economic-financial, reputational and expertise terms, as described in the **Financial Partnership Policy**. In addition, the **Sustainability Policy** underscores the existence of specific controls for the selection of counterparties and asset managers and integrates the analysis and due diligence processes of financial and non-financial partners, also with specific elements for the analysis of ESG aspects.

Guidelines on Integrating Sustainability Factors into Investment Services, Collective Asset Management and Active Ownership

As regards responsible investments, the Guidelines on Integrating Sustainability Factors into Investment Services, Collective Asset Management and Active Ownership illustrate in detail the principles defined in the Sustainability Policy, integrating ESG factors into investments through an analysis aimed at identifying and managing the related potential risks. The Guidelines also strengthen the Bank’s commitment to ensuring transparent, comprehensive disclosure on the sustainability characteristics and objectives of its products, guaranteeing thorough and responsible advisory and collecting any specific customer preferences regarding sustainable investments.

AI Management Guidelines

The Bank recognises the contribution of AI to improving service quality and customers satisfaction, while also increasing productivity, facilitating Financial Advisors’ activities and obtaining reputational and financial benefits for investors. In this regard, the AI Management Guidelines define a governance system dedicated to the entire life cycle of AI solutions. The Guidelines also provide for a rigorous risk assessment to identify and classify the main areas of exposure, in addition to monitoring initiatives aimed to provide customers with ongoing control and transparency and an escalation process to promptly manage any issues.

Data Governance Policy

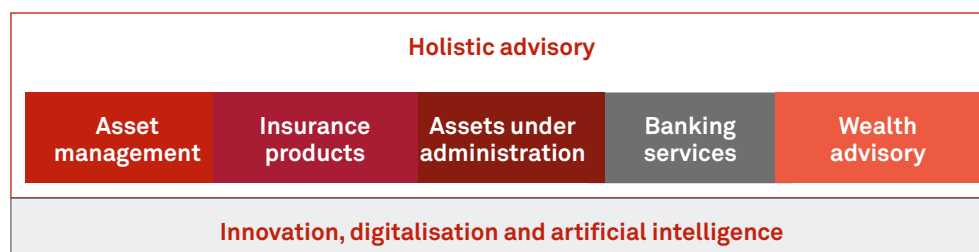
In addition, the Bank has identified Data Governance as key to facilitating convergence between quality, management, policies, business processes and data processing within the Bank. In fact, data quality influences the effectiveness of internal controls, process security, and hence the quality of the service offered to Customers. These concepts are defined in the **Data Governance Policy**, which also sets the guidelines for properly classifying information, with the aim of ensuring ongoing data control and security.

Actions and resources in relation to material sustainability matters

MDR-A

The multifaceted and diverse needs of Banca Generali's customers, The multifaceted and diverse needs of Banca Generali's customers and the changing market conditions require a continuous effort towards **financial and advisory innovation**: a model able to offer a wide, diversified range of **products and services**, supported by **Artificial Intelligence**, with a view to providing a **holistic advisory** able to cover all types of assets, growth needs and long-term goals.

Holistic advisory applicable to the products and services offered



ASSET MANAGEMENT

The **assets management product range**, referring to shares of the Sicavs and units of sub-funds managed by the Banking Group's management company **BG Fund Management Luxembourg (BGFML)**, was further expanded in the year with the addition of new solutions. The **Lux IM** Sicav managed by BGFML further evolved in 2025, establishing itself as a benchmark platform for accessing the expertise of the world's top asset managers. Its structure is based on building blocks and strategies capable of covering every asset class, making it possible to diversify asset allocation, in line with customers' needs and profiles.

The whole range is structured into **five main asset classes**, broken down into sub-categories based on the features of each type:

- › **equity strategies**, aimed at exploiting growth trends, classified based on investment style, geographical focus and relevant theme;
- › **bond strategies**, focused on seizing the yield opportunities offered by the fixed income segment, classified based on their duration and investment area;
- › **multi-asset strategies**, designed to tackle phases of uncertainty with a moderate risk profile, classified based on equity exposure and geographical focus;
- › **alternative strategies**, aimed to improve the portfolio's efficiency and diversification through elements of decorrelation;
- › **protection strategies**, a new asset class that protects 100% of the invested capital¹⁰⁹ at maturity, while offering participation¹¹⁰ in any upside of equity markets.

In the year, this range was further expanded with the launch of new sub-funds, within a solid macro-economic context, marked by stable growth, evolving monetary policies and a renewed interest for Europe, along with the traditional focus on the United States. Against this scenario, equities took again central stage and bonds maintained their important role with a more tactical approach, with alternative investments complementing the portfolio thanks to the diversification levers they offer.

At 31 December 2025, Lux IM had 112 sub-funds, of which 27 managed by BGFML and 85 with management delegated to leading international asset managers.

Overall, at 31 December 2025, Banca Generali's product range targeted to retail customers included over **3,500 UCITS** under active management, managed by approximately **30 management companies**.

Along with funds, **portfolio management and alternative products** are the instruments best suited to meet the needs of the most sophisticated customers.

In particular, Banca Generali offers a range of **portfolio management solutions** under active management, composed of **BG Solution** and **BG Solution Top Client**, which cover different investment strategies and stand out for their strong emphasis on personalisation.

¹⁰⁹ The protection techniques adopted do not constitute a guarantee of capital repayment at maturity, as the risk of default by government issuers within the Euro Area remains. The 100% capital protection at maturity applies to the invested capital gross of fees and expenses.

¹¹⁰ Without prejudice to the risk of default of the swap counterparty.

New fund-raising periods were opened throughout the year for the Smart Target portfolio management solution, designed to protect capital over 10 years through investment in market growth.

As regards the range of Alternative Products, the year 2025 confirmed investors' growing interest towards solutions capable of diversifying the portfolio and reducing the correlation with traditional markets. In a context characterised by equity market volatility, declining bond yields and evolving monetary policies, alternative investments took on a strategic role in looking for long-term returns and stability.

Banca Generali entered into **partnerships with leading international asset managers** specialised in private markets, thereby expanding the range of products dedicated both to **private debt**, aimed at funding undertakings through unlisted debt instruments, and to **private equity**, which allows to invest in the development of high growth potential companies. Characterised by medium/long-term time horizons and value-creation strategies, these solutions provide customers with the possibility to seize opportunities generally reserved for institutional investors.

INSURANCE PRODUCTS

Among Banca Generali's products and services, insurance products are the best suitable tool for customers interested in wealth protection, as they combine investment needs with the needs for insurance coverage and generational wealth transfer.

With the objective to expanding and innovating the financial insurance product range, on 11 February 2025 the placement of **BG Stile Esclusivo** was launched. This **hybrid solution** is characterised by 9 investment lines diversified by risk profile and time horizon and combines in a single wrapper **four high-value investment and protection components**:

- › **financial component**: with the Ri.Attiva and Ri.Alto dollari segregated accounts, three new in-house funds managed by BG Asset Management and over 100 best-in-class third-party funds. Possibility to simplify administrative management thanks to recommended portfolios under advisory and their quarterly rebalancing;
- › **protection component**: distinctive coverages, including on capital losses, and material coverages, thanks also to the significantly enhanced main coverage;
- › **product services**: possibility to manage each policy in a personalised and dynamic way; in particular, the Ribilancia service was enhanced, allowing to gradually increase exposure to the equity market, and the Decumulo service was expanded with new options for the amount to be periodically divested;
- › **Welion healthcare services**: the protection component was complemented by general and specialist medical consultation services, in addition to offering a healthcare network that provides access to medical services at favourable conditions.

In addition, new third-party funds and special agreements to make this service increasingly competitive were also added to this product in 2025.

As regards traditional products, with the aim of offering attractive returns to customers, during the first half of the year, new ceiling rates were introduced for customers of the BG Custody Futuro Plus 2024 traditional policy. In addition, the placement of BG Custody 2.0 2024, the traditional policy investing in the Ri.Attiva BG general account and offering a 2% subscription bonus, continued until 30 June 2025, whereas the placement of the BG Custody 2023 traditional policy ended on 16 July 2025.

On 17 July, the BG Custody Lifetime traditional policy, investing in the Ri.Attiva BG general account, was added to the range and subsequently enriched through two special pricing agreements aimed at meeting private customers' needs.

With regard to pension products, BG Previdenza Attiva Premium, the new individual pension plan (PIP) of BG Vita, was made available to Banca Generali's customers as of 3 June 2025. It is characterised by:

- › a financial component, allowing to choose between the Ri.Alto Previdenza segregated account and two in-house funds, managed by Banca Generali's expert managers. An investment up to 100% in each component is allowed; customers can choose the amount of their contributions and have maximum flexibility in reallocating investments over time;
- › a protection component covering the risk of loss of self-sufficiency and disability resulting from serious illness, designed to support the ensuing financial burden;
- › innovative pension services: various solutions are permitted when accessing the service, such as a doubled LTC pension envisaging double pension in case of loss of self-sufficiency during the payout phase or the counter-insured life annuity, which provides for the payment of the annuity for as long as the policy-holder is alive and, in the event of death, the payment of the

residual amount to the beneficiaries in the form of a lump sum.

With regard to the range of products and services for HNW and UHNW customers, Banca Generali continued to distribute **Lux Protection Life**, the Generali Luxembourg insurance company's hybrid private insurance policy that combines the need for protection with flexibility and customisation and constitutes an extremely efficient succession-planning instrument.

The placement of BG Oltre — the single-premium hybrid insurance policy that invests in long-term trends relating to sustainability and digital transformation through the People, Planet and Digital Transformation internal funds — also continued.

ESG solutions were offered across all the asset management and insurance product ranges and remained a distinctive feature of the Bank, with **ESG AUM amounting to 21.5 billion euros, accounting for 40.8%** of total managed solutions. The percentage reached — above the 40% target set in the 2022-2024 Strategic Plan — accounted for a 26.5% of solutions pursuant to Articles 8 and 9 of Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation – **SFDR**), narrowly defined, and for a 14.34% of UCITS pursuant to Articles 8 and 9 of the SFDR underlying financial and insurance investment solutions in turn not classified pursuant to Articles 8 or 9 of the SFDR.

ASSETS UNDER ADMINISTRATION

As regards assets under administration, in 2025, the Bank continued to **expand its platform of issuers**, optimise costs and innovate its products and services. In particular, Banca Generali Group confirmed its focus on improving pre- and post-placement services for its Financial Advisors and Customers. The BG Certificate & Bond Dashboard, which collects all the information on certificates and bonds placed by the Group, was enhanced with new features and improvements to the new AI chatbot, which exploits AI logics to allow Financial Advisors to retrieve data related to certificates in an increasingly fast and efficient way. In addition, a scenario analysis was introduced for each product placed by Banca Generali, thus allowing Financial Advisors to better monitor their customers' investments.

In terms of **volumes placed on the primary market**, 2025 was a record year, with certificates underwritten exceeding 1.377 billion euros. As regards bonds, volumes placed amounted to 83.9 million euros. Banca Generali Group's HNW customers continued to show interest in tailor-made solutions in private placement, with 226 million euros placed, accounting for 16% of total volumes in certificates.

The range of products and services offered on the primary market was able to effectively seize all the opportunities created by the market and meet different Customer needs. It **focused on protection strategies**, ranging from defensive solutions, such as **capital-protected products and capital-protected products with deep barriers**, to **conditionally protected capital strategies** based on periodic yields and fixed periodic premiums, thus confirming the interest for these solutions by the Bank's Customers.

BANKING SERVICES

With regard to banking services, in March 2025 Banca Generali launched the placement of the new current account range for retail customers. The placement of the new BG Più, BG Multivaluta and BG TOP accounts began (the first two also available in the version for Non-resident Customers), so as to replace the former BG Privilege Plus, BG Top Premier Plus, BG MultiFast, BG Multi Privilege, BG MultiPremier and BG World Deluxe accounts, now in post-sales. The new range aims to simplify the product and service catalogue available to the BG Network, optimising the Bank's profitability on this segment and further supporting private Customers, who are strategic for Banca Generali.

The main initiatives launched in 2025 included:

- › the promotional activity for new and existing Customers who transfer financial instruments to Banca Generali was extended, confirming the mechanism for determining a bonus amount equal to the stamp duty;
- › several initiatives were promoted for the subscription of repurchase agreements and deposits aimed at supporting the BG Network in gathering net inflows from Customers in a changed scenario of high interest rates.

With reference to its **banking services**, in 2025, Banca Generali Group further consolidated the **Insurbanking** agreement entered into with Generali Italia in 2024 for the distribution of certain Banca Generali banking services as part of the range of products offered by Generali Italia Agencies.

In addition to the Insurbanking project with Generali Italia, Banca Generali also finalised a similar agreement with Alleanza Assicurazioni. Under this agreement, in October 2025 Banca Generali launched the placement of its Conto Unico current account for the Alleanza Network agencies included in the pilot test, with the aim of extending the service to approximately 3,000 Network Private Advisors by 2026.

The product developed for the Alleanza Network provides for a current account, home banking services, the Nexi Debit international debit card, a prepaid card, the Nexi Classic credit card and deposit of assets under custody and/or administration. A dedicated Alleanza-branded layout was designed for both the Nexi Debit international debit card and the Nexi Classic credit card. Customers are also offered the possibility to independently activate investment services to carry out trading activities.

This new initiative falls within the activities that Banca Generali has implemented with a view to developing its business **in synergy with Generali Group**. Therefore, the Alleanza Network joins the Generali Italia Network in offering certain Banca Generali products and services to the Group's customers. At the same time, this initiative allow Generali Italia and Alleanza to expand the range of products and services offered to their customers to support insurance products, with a view to achieving an increasingly comprehensive development of the activity carried out through their distribution network.

WEALTH ADVISORY

In line with the philosophy of enhancement, protection and generational transition of the customers' "global wealth" (corporate, real estate, art, etc.), through its Wealth Advisory Banca Generali responds to the need of **providing customers with a range of products and services that cover all the assets that make up their wealth**. Wealth protection activities remain one of the main objectives of the Bank, which aims to offer planning and protection solutions for assets other than financial ones.

As regards wealth advisory, service personalisation capabilities were further enhanced in 2025 so as to meet Customers' needs in an increasingly rapid manner and with a high service level. On the one hand, the strategy aimed at rationalising partnerships by terminating agreements that were no longer at the core of Customers' interest; on the other hand, the range of services offered was expanded by introducing new partners to propose tailor-made solutions to each type of customers. These developments include, for example:

- › increase of SME lending services, introducing partners specialised in leases, commercial credit insurance and financing of ecclesiastical and third-sector organisations;
- › with reference to Real Estate Advisory, enhancement of services supporting real estate management through the introduction of short-rent options and operators specialised in property leases;
- › expansion of support for planning generational continuity and wealth protection, through targeted advisory on both governance and ownership structure of equity investments and on the use of ownership vehicles and wealth planning instruments, such as wills, simple partnerships, holding companies, trusts.

The Wealth Advisory structure operates in close collaboration with the fiduciary subsidiary Generfid to provide distinctive personalised advisory solutions (e.g., escrow accounts, fiduciary registration, aggregate management of different income sources, management of shareholders' agreements, etc.) and with the subsidiary Intermonte as regards extraordinary finance transactions.

The synergy with the latter provides access to the expertise of an investment banking boutique, offering entrepreneur customers high value-added services. Intermonte's M&A, ECM and DCM advisory activities rely on a team with extensive experience in extraordinary finance transactions — the result of the multidisciplinary expertise gained over time. In addition, its strong specialisation in small and mid-cap stocks and its deep knowledge of the Italian market ensure a crucial competitive advantage in leading complex transactions with a high strategic value.

In line with the previous years, Banca Generali's most significant activities and initiatives promoted in 2025 were: (i) Build It Up, the annual event that allows newly incorporated Italian start-ups to submit their projects to over 150 qualified investors, interested in VC financing; (ii) Innovation Tram (through participation in the Women&Tech association), the initiative organised every year on the occasion of Milan Digital Week.

A series of events on Strategic Philanthropy, understood as a sustainability and innovation-oriented tool to promote cross-disciplinary dialogue between the cultural and entrepreneurial worlds, was also launched for the first time, in collaboration with Studio TARGET.

To closely monitor the trends and dynamics of the corporate world, in 2025 Banca Generali supported several Observatories providing content and sponsorship: (i) “the “ECM AI Observatory” in partnership with IRTop Consulting, aimed at identifying the most promising listed and unlisted AI companies; (ii) “Observatory on the governance of unlisted companies” of the Corporate Governance LAB, by SDA Bocconi in partnership with PwC; (iii) “Observatory on art and cultural initiatives as resources for social sustainability” in partnership with the University of Pavia and in collaboration with Deloitte Private and ARTE Generali; (iv) “Methrica Observatory” on innovation and sustainability for SMEs of Southern Italy, created by the University of Naples Federico II in collaboration with IR Top Consulting.

As regards the methods for developing and communicating Wealth Advisory services, several initiatives were introduced or strengthened in the year: (i) “Il Valore che Resta”, a series of podcasts created in collaboration with Chora Media and dedicated to the wealth advisory world; (ii) “24CreA”, a quarterly magazine issued in collaboration with *Il Sole24Ore* and focusing on several specific Corporate, Real Estate, Art and Family Protection & Planning topics; (iii) *ESG Newsletter*, in collaboration with IR Top Consulting, designed to provide the Sustainable Advisor Network with dedicated updates and insights focused on the latest sustainability-related regulatory and market trends, in addition to recounting success cases and supply-chain best practices.

Innovation, digitalisation and Artificial Intelligence

In recent years, Banca Generali has strongly focused on **innovation and digitalisation** through the creation of a broad, **advanced ecosystem of digital tools** to support its Financial Advisors, on the one hand to make **their activities** more effective and **efficient** by fully **digitalising** the various phases that make up the Financial Advisor’s typical “journey”, and on the other hand, to further increase the **value and quality of the service** offered to its Customers. It is in fact essential to emphasise how the digital tools available to Financial Advisors directly improve the service offered to Customers, allowing for a more proactive and personalised wealth management.

With regard to ongoing innovation through the use of **Artificial Intelligence**, the collaboration with Microsoft, announced in January 2025, is particularly important. The objective is twofold: on the one hand, it aims to personalise and improve the service for the benefit of the end-customer and, on the other hand, it points at transforming and streamlining business processes so as to achieve increased productivity of employees and Financial Advisors. The Bank has already implemented Microsoft 365 Copilot to provide advanced tools to its private bankers and employees, in addition to creating **generative AI solutions** for new, targeted and personalised advisory services for its Customers.

TECHNOLOGY AT THE SERVICE OF FINANCIAL ADVISORS

BG Home: Financial Advisors’ new digital portal

The year 2025 saw the launch of BG Home, the new, single point of access that accompanies and supports Financial Advisors across the world of Banca Generali’s applications, offering thematic overviews and modular analysis levels that can be fully personalised.



BG Home **significantly innovates** how Financial Advisors access and use digital tools:

- › **simplicity:** thanks to a layout based on thematic sections and widgets, it provides access to content and specialised applications in few simple clicks, supporting Financial Advisors in their day-to-day activities;
- › **personalisation:** based on each Financial Advisor’s specific needs, it allows to set up the arrangement and visibility of the different Home Page thematic sessions, as well the level of detail of the information to be displayed;
- › **integration:** starting from the summary content available on BG Home, users can easily and seamlessly access in-depth information provided by specialised applications dedicated to each business area;
- › **multi-device:** management is optimised across the different devices available to Financial Advisors (PC, tablet and smartphone), ensuring full functionality also on the go.

Using BG Home, Financial Advisors can monitor and manage all aspects linked to its professional work:

- › **portfolio analysis:** to constantly monitor the key indicators of the overall portfolio composition and their changes over time, in addition to the variables related to the achievement of the incentive targets and accrued fees;

- › **monitoring**: to easily and immediately check the key indicators of alerts, activities and assistance every day;
- › **informative and educational content**: to have a single point of access to a broad, accurate repository of multimedia content prepared by the Bank on markets, products, advisory services and training;
- › **customer profile**: BG Home introduces a new “customer profile” that offers Financial Advisors a summary overview of all relevant information about the customer, so as to simplify ongoing management of their relationship and constantly increase the quality of the service provided;
- › **integrated calendar**: it highlights the main events regarding Financial Advisors’ work to ensure optimal organisation and planning of their activities (e.g., expiry of their Customers’ identity documents and questionnaires, coupon payments and bond maturity dates, training courses, meetings and events).

After an initial Family & Friends phase involving a limited pool of Financial Advisors, **BG Home was rolled out to all Banca Generali’s Financial Advisors in June 2025**.

Holistic and wealth advisory platform

With reference to service value and quality, the **BG Personal Advisory platform** is the distinctive element of Banca Generali’s **holistic advisory model**, which allows for an in-depth analysis of **all the different components making up Customers’ total wealth** — from the financial portfolio held with Banca Generali to that deposited with Third Party Intermediaries, real estate assets or business assets —, including in a completely integrated and aggregated way at the level of the household and with a view to protection and inheritance planning.

The **BG Personal Advisory** platform also integrates an innovative business intelligence tool that uses **advanced data analysis** techniques (e.g., semantic text analysis, machine and deep learning) that allow Financial Advisors to automatically process commercial insights relating to **family companies** associated with their Customers.

To increase the service quality and favour **HNW customer** segment penetration, additional dedicated features are also available to support Financial Advisors and specialist HQ structures in the analysis of the **total wealth** of the most important households, according to a complete, aggregate approach typical of family offices, instrumental to managing and planning their **needs and life projects**.

Within the framework of the digital tools supporting advisory activity, Banca Generali’s Financial Advisors can also avail of **BG Personal Portfolio**: this **tool is dedicated to simulation and analysis of investment solutions** capable of integrating traditional valuation metrics of a typically financial nature with **specific ESG metrics**, so as to provide customers with an overview of the impacts of their investments on the 17 United Nations Sustainable Development Goals (SDGs).

With a view to **constant evolution and innovation of digital tools**, platform developments continued also in 2025 both on BG Personal Advisory and on BG Personal Portfolio. These included, for example, full revision of the BG Personal Portfolio simulation options to make the user experience increasingly smooth and intuitive and the addition of a new feature to BG Personal Advisory to display and print the analyses of the Customers’ portfolio, including applying an historical view (e.g., asset and currency allocation analysis, portfolio risk and diversification metrics).

Operational support tools

With reference to **digitalisation**, the technological tools developed by Banca Generali in recent years allow to provide Financial Advisors with the best possible support in all their daily professional activities: from the more purely **operational and administrative activities** (e.g., execution of investment transactions on financial instruments or onboarding of new Customers) to **information activities** on markets, products and services, and **training activities**.

The **digitalisation of investment, administrative and operational processes** has enabled Financial Advisors to streamline these activities and make them faster and more immediate, while also reducing possible operational errors, thus allowing them to devote more time to activities with higher added value for their Customers.

The introduction of **systems** for Customers to **digitally confirm** operations is another element that simplifies and optimises Financial Advisors’ activities, in addition to reducing the number of paper forms to be managed.

In this context, the ongoing innovation and digitalisation of the tools supporting the BG Network continued also throughout 2025: in addition to further increasing the number of fully digital pro-

cesses, the second half of the year saw the launch of the **new dashboard to open and monitor operational and administrative processes**, designed to offer an intuitive experience and tools that foster rapid, efficient and easy customer case management.

The new dashboard provides a **comprehensive, integrated overview for monitoring** all open customer cases (both on print and digital supports), thus allowing to **effectively and efficiently managing priorities and activities**, in addition to simplifying communications with the HQ structures (through requests for support or entry of reminders and urgent items).

Tools supporting Network Managers

Network Managers can rely on specific digital tools, specially designed to provide effective and prompt support to the coordination, monitoring and planning activities of the Financial Advisors within the structure.

Adopting such tools facilitates a more efficient management of operational and strategic activities, thus contributing to the overall improvement of the quality of the services offered to the Financial Advisor Network and to Customers.

Among the technological tools developed by Banca Generali in recent years, worth of mention is a commercial data monitoring tool (*Quickview 2.0*) dedicated to the BG Network managerial structure. This digital tool specifically supports Network Managers in their commercial activities. In particular, this tool enables to:

- › dynamically monitor net inflows and assets data on a daily basis;
- › provide detailed data by product category, allowing for a granular performance analysis;
- › provide network-focused insights to understand net inflows evolution and commercial trends.

TECHNOLOGY AT THE SERVICE OF CUSTOMERS

In an increasingly digitalised context, the Bank was able to evolve thanks to **technological tools** that facilitate communication and collaboration. The primary objective was to focus on the Customer's needs, offering digital solutions that **optimise the experience**, making it possible to immediately view banking/financial reports and **simplifying banking operations**, such as ordering a bank transfer or paying a bill.

The technological innovation process has mainly focused on the evolution of digital platforms, with particular attention to the **Home Banking** service and the **Mobile Banking App**, the latter having become the preferred channel for most Customers to access their Reserved Area. The evolution focused on measures aimed at guaranteeing constant upgrading of applications, enhancing and expanding their features, with particular attention to the user experience (UX) and the user interface (UI), in compliance with the standard requirements imposed by the market and by accessibility laws.

In particular, as regards digital tools made available to Customers, in 2025 upgrades mainly consisted in the development of the **new Mobile Banking App**, creating a brand-new design with enhanced features to offer Customers **an even simpler, more rapid and personalised experience**.

The new Mobile Banking App features a series of new important developments:

- › **high customisation**: the new app enables users to set up the home screen according to their specific needs, selecting the features and information to pin for easy, fast access. Users can also customise the display mode choosing between a dark mode to reduce eye strain or a light mode for optimal readability in any situation;
- › **simplified user management**: the new “multi access” feature allows to connect several profiles to a single app (e.g., a user profile as natural person and another one as legal representative of a company) and switch from one profile to the other easily and rapidly;
- › **intuitive navigation**: the app features and content have been re-arranged to ensure easy, fast access through the navigation bar, the menu and the research tool;
- › **smart payments**: with the new “scan and pay” feature, users just need to scan a QR Code or bar code to pay bills and use the CBILL and MAV/RAV services in few seconds, making the payment experience even more rapid and intuitive;
- › **accessibility**: the app accessibility has been improved to allow even Customers with psycho-physical disabilities to autonomously use the digital services offered by the Bank.

2025 saw the launch of the Family & Friends phase involving a limited number of users (HQ users and Network Managers), followed by the app roll-out to all the Bank's employees and Financial Advisors in December, with the aim of making the new Mobile Banking App available for all Banca Generali Customers as of January 2026.



ARTIFICIAL INTELLIGENCE

In 2025, Banca Generali entered a pivotal phase of its digital transformation, formally recognising AI as one of the pillars of its Strategic Plan. Within a scenario of strong technological evolution, the Bank adopted a structured, conscious approach, aimed at increasing operational efficiency, the BG Network's productivity and the quality of the service provided to its customers. In the year, the establishment of organisational and technological foundations for a scalable model — facilitated by the maturity of the available solutions and by a more AI-ready corporate environment — aimed at preventing premature experimentation, and pursuing AI adoption that delivers true value-added.

AI Factory: creation, consolidation and model adopted

An important milestone in this path was the creation of the AI Factory structure, focused on planning, assessing and implementing Artificial Intelligence across Banca Generali Group. Since its creation, the AI Factory has never operated as a closed technical team or as a mere executor of top-down tasks, but rather as a fully-fledged cultural and organisational enabler. It plays a strategic, cross-cutting role: internal demand governance, solutions design, assessment of business benefits, operational development of use cases and smart agents, and spread of skills and awareness.

The explicitly **collaborative model** adopted is based on a **hybrid approach** that combines a **bottom-up** process — where ideas and use cases are directly collected from operational teams and developed in collaboration with business owners — with a clearly strategic **top-down** view, ensured through constant dialogue with Top Managers. This model creates an optimal balance that guarantees authentic, valuable initiatives fully aligned with the Bank's strategic objectives in terms of productivity, work quality and increased process efficiency.

The first step was to define processes, roles and methodologies, so as to ensure the systematic and transparent management of initiatives. The AI Factory collected and screened over 300 project ideas from all departments to then create a portfolio of around 200 structured use cases that were subsequently subject to a technical-functional and impact-benefit pre-assessment. In this way, in 2025 the AI Factory developed 20 AI agents, reducing operational times up to 40%, whereas Banca Generali employees autonomously created about 100 AI agents, thanks to the AI Factory's support, the skills acquired and the no-code tools available. The impact was immediate: the first use cases designed saved thousands of man-hours, generating a positive ROI already in the first year. The adoption of Microsoft AI tools, in particular Copilot, grew from approximately 40% to over 80% in 2025, involving more than 40 corporate teams in AI innovation projects, thus confirming an already cross-cutting transformation.

These figures testify to a growing digital maturity and to an open innovation-driven culture, supported by low-code tools and widespread training, thanks to which the AI Factory has swiftly become a driver for modernisation and day-to-day innovation. This significantly contributed to spreading AI as a value lever for the whole Bank.

The AI democratisation process¹¹¹

Banca Generali has democratised AI through a twofold process: on the one hand, **the extensive adoption of Microsoft Copilot**, with licences deployed to over 70% of employees and 80% active users, has brought immediate benefits in terms of productivity, document quality and information management; on the other hand, the **spread of no-code and low-code tools**, such as Copilot Chat and Copilot Studio, has made innovation a shared process, enabling also citizen developers to contribute to designing AI solutions. This process was supported by a **wide training programme** addressed to all Company employees', including workshops, calls for ideas and a hackathon in collaboration with Microsoft, in addition to the **AI Infusion programme** dedicated to People Managers. This model is complemented by the **AI Ambassador community** that, with over 40 professionals from all company departments, has fostered a widespread dissemination of skills, while identifying real needs, supporting colleagues and consolidating the link between technology and business. Thanks to this integrated ecosystem, AI has been strongly embedded in the organisational culture, becoming a driver for day-to-day innovation, efficiency and widespread engagement.

Open innovation and strategic partnerships

In 2025, Banca Generali's AI approach also provided for extensive scouting and collaboration with the external ecosystem: start-ups, technological providers, system integrators, consultancy firms, research institutions and specialised players.

Thanks to these experimentations and collaborations, the Bank could rapidly explore advanced technological frontiers, while directly monitoring the potential impacts on its business.

¹¹¹ For further information on AI training, see Chapter "ESRS S1 – Own workforce – Enhancement of Human Capital".

Laying the technological foundations of an AI enterprise

In addition to application projects, 2025 saw the continuation of major infrastructural and architectural works, including the definition of the data use strategy, the evolution of the models for integrating legacy systems and new AI paradigms, and the setting up of the first multi-agent patterns.

The AI Factory constantly collaborated with the IT and Data structures, Generali Group's AI community and several external partners to ensure scalability, security and compliance, aware that a long-term vision requires solid, verified foundations.

AI projects for the BG Network¹¹²

In 2025, Banca Generali launched a structured process for deploying AI to directly support Financial Advisors, with the aim of improving promptness, personalisation and responsiveness in their relation with customers. AI was recognised as an enabling lever for the BG Network to ensure faster access to information and increase day-to-day work effectiveness and the focus on the advisory value.

A key element of this strategy is GRACE, the AI platform designed to support Financial Advisors and internal structures in searching for required information and immediately using it in their activities. Thanks to its conversational interface integrated in the Bank's systems, GRACE provides rapid, reliable responses on documents, procedures, commercial content and support materials, thus significantly reducing the time spent consulting traditional sources.

The evolution roadmap envisages the transformation of GRACE into a fully-fledged multi-functional assistant, able to integrate new vertical skills (e.g., regulatory research, market analyses, commercial support) and work on both structured and unstructured data. This will contribute to making Financial Advisors' activities increasingly productive, consistent and oriented towards the quality of the service offered to customers.

Besides GRACE, the AI platform designed to support Financial Advisors and internal structures in searching for and immediately accessing the information needed for their activities. The overall goal is to enable an AI-powered advisory relationship model capable of improving commercial efficiency, reducing operational complexity and increasing the personalisation level offered to customers.

In this way, AI becomes a strategic accelerator for the BG Network, useful to free valuable time, improve responsiveness and facilitate a higher quality advisory service in a competitive and constantly evolving context.

Effectiveness of policies and actions and relevant metrics

MDR-M
MDR-T

In a context marked by an increasing focus on service quality and the responsible management of clients' holistic wealth, Banca Generali has defined metrics aimed at monitoring the impacts and opportunities connected with Wealth Protection and Value of Service.

Among key indicators, particularly significant is **ESG AUM**: a distinctive indicator of Banca Generali that measures the breadth of its range of sustainable products and services. This indicator is monitored on a quarterly basis and is included in the Sustainability Dashboard. At year-end 2025, ESG AUM amounted to 21.5 billion euros, accounting for **40.8% of total managed solutions**, confirming the Bank's commitment towards sustainability.

Other metrics linked to Wealth Protection and Value of Service include the performance of **Assets under Advanced Advisory**, an indicator that covers assets under management, insurance products and assets under administration offered under a dedicated advanced advisory service. The results of this indicator are disclosed quarterly in financial reports. Assets under Advanced Advisory amounted to 12.0 billion euros in 2025, accounting for 10.6% of the total, testifying to the attractiveness and gradual expansion of this service. In the same period, BGFML total assets grew to 25.3 billion euros (+8.7%), highlighting the constant improvement of the quality of in-house products.

Again, with regard to financial products and services, the Board of Directors also receives quarterly reports on the performance of assets under administration, assets under management and insurance products, with a specific focus on ESG solutions, thus enabling to constantly monitor the evolution of the products and services offered.

¹¹² For further information, see Chapter "ESRS S1 - Own Workforce – Enhancement of Financial Advisors".

Regularly monitoring **customer satisfaction** is another key factor in Banca Generali's strategic vision and is performed using specific indicators, such as the **customer retention rate**, the **average duration of the contractual relationship** and **cross selling**. These indicators reflect Customers' trust and loyalty towards the Bank, the quality of the service offered and the Bank's ability to meet its Customers' diverse needs through a wide product and service range.

The analysis of 2025 data shows that **retention rate** remained high and the average duration of the contractual relationship rose to **12 years and 3 months** (the highest level in recent years). Cross selling data confirms a trend towards an increased diversification of the products and services: the number of single-product Customers declined, whereas the number of Customers with at least 2-3 products increased, testifying to a gradual expansion of the commercial relationship.

CUSTOMER SATISFACTION

	NO. OF PRODUCTS	2025	2024
Customer retention rate		95.6%	94.9%
Average duration of the contractual relationship (*)		12 years and 3 months	12 years and 1 month
Cross selling	1	34.47%	34.53%
	2-3	41.81%	41.44%
	4+	23.73%	24.02%

(*) The figures refer to persons who have been Banca Generali Customers for at least one year.

Customer confidence is clearly essential for the Banking Group's long-term success, as it strengthens customer retention and corporate reputation, creating a sustainable competitive advantage over time. In this regard, the **average number of Customers per Financial Advisor** is a key indicator for a private bank, since it enables to offer an exclusive, personalised service. In 2025, the average number of Customers per Financial Advisor grew (154.8 compared to 152.6 in 2024; up 14% on 2024).

Average assets per Financial Advisor and **average net inflows per Financial Advisor** are indicators that allow the Bank to monitor the value of the service offered.

In 2025 as well, average assets per Financial Advisor increased significantly to 46.5 million euros (+6.6% compared to 2024). Average net inflows per Financial Advisor amounted to 2.5 million euros in 2025.

CUSTOMERS' ASSETS (DATA REFERS TO ASSORETI'S SCOPE, EXCLUDING BG VALEUR, BG SUISSE AND BG AEQUITUM)

	2025	2024	% CHANGE
Average No. of customers per FA	154.8	152.6	1.4%
Average assets per FA (€ million)	46.6	43.7	6.6%
Average net inflows per FA (€ million)	2.5	2.8	-10.7%

As regards innovation and digitalisation, the Bank promotes the strengthening and ongoing evolution of its digital ecosystem, also through constant monitoring of the BG Network's adoption and use of platforms. Similarly, the Bank also monitors customers' use of digital platforms, which contribute not only to improving the user experience, but also to the sustainability of the operational model, as they reduce physical materials and the associated emissions. In particular, Digital Collaboration and the Qualified Electronic Signature best represent the synergy between digitalisation and sustainability, as they enable to confirm orders remotely. The growing adoption of these services was driven by the expansion of processes and transactions that can be managed in a fully digital manner.

ESRS
G1

Business conduct

Corporate management integrity and social responsibility guide the activities of Banca Generali Group, which always operates in compliance with laws, internal policies and the highest standards of professional ethics. In this context, **Business conduct** is strategically relevant as it marks the convergence of integrity, transparency and trust for all stakeholders.

“Business conduct” (G1) includes three strategic elements: **prevention of and fight against corruption and bribery**, **promotion of a shared corporate culture** and **protection of whistleblowers**, ensured through dedicated policies and channels. These levers strengthen the Bank’s ability to control risks, promote responsible behaviour and generate sustainable value over the long term.

In this context, the impacts, risks and opportunities linked to the “**Business conduct**” topic refer to the Core Operational Activities of the Bank’s value chain¹¹³ and are structured as follows:

- › **Corruption and bribery:**
the analysis revealed a **potential negative impact** linked to the occurrence of unlawful conduct, such as cases of corruption, bribery, reuse of profits from illegal activities or anti-competitive practices, that for the Bank may mean the risk of reputational damages, administrative and criminal sanctions or negative economic impacts.
These offences also entail a **risk** of non-compliance with laws and regulations, in particular in the event of safeguards, control measures and corporate policies that are not adequately disseminated among or applied to employees and other stakeholders;
- › **Corporate culture:**
the analysis identified a **positive impact** resulting from the adoption of good governance policies and the promotion of a corporate culture based on transparency, accountability and propriety that contribute to improving corporate practices, strengthening the internal control system and reducing the risk of unethical or non-compliant conduct, with benefits on the organisational climate and the sustainability of the business model in the medium/long term;
- › **Protection of whistleblowers:**
the analysis revealed a **positive impact** linked to the creation of healthy and reliable work environments, supported by dedicated whistleblowing channels that ensure the confidentiality and protection of whistleblowers. These tools allow to promptly detect any unlawful or non-compliant conduct, supporting the Bank in mitigating the risk of regulatory breaches, sanctions or reputational damages.

It should be noted that the impacts described above are material over the **short, medium and long term**, as they affect the quality of the operational practices and the Bank’s reputational positioning, whereas the risk is deemed material especially in the **short term**, as the consequence of possible occurrence of non-compliance events or unlawful conduct.

Corporate culture and business conduct policies

G1-1

Banca Generali aims at actively contributing to economic and social development based on respect for human rights, professional ethics and business transparency, both in the short and long term, incorporating these goals within its conduct, in compliance with its Internal Code of Conduct. As it operates in the asset management market — a context requiring high ethical and transparency standards in business activities —, Banca Generali constantly acts in accordance with laws, policies, internal normative documents and professional ethics. The most relevant policies in this regard are reported here below.

Internal Code of Conduct

In order to ensure a highly positive impact arising from regulatory compliance, as already explained, Banca Generali S.p.A. has specifically adopted an Internal Code of Conduct. This Code has been drawn up in accordance with the principles set forth in the Generali Group Code of Conduct and aims at clearly defining rules of conduct which administrative and supervisory bodies and BG People must undertake to comply with.

¹¹³ It is specified that Banca Generali did not adopt any ad-hoc processes for identifying and subsequently assessing the impacts, risks and opportunities linked to the “Business conduct” topic. In addition, as there are no material differences at local level among the Banking Group’s activities, Banca Generali did not deem it necessary to disaggregate impacts, risks and opportunities by geography (G1 “IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities”).

The Code also pays attention to the fight against corruption and specifically prohibits the offering or acceptance of undue payments, gifts, entertainment or other improper benefits. In addition, it also focuses on guaranteeing full transparency in relations with Customers, the market and suppliers. The values of the rigorous selection approach adopted by the Bank are based on the **Internal Code of Conduct** and on the “relationship value”, as well as on the **Ethical Code for Suppliers of the Generali Group**¹¹⁴, which sets out the general principles for managing relations with the contractual partners in a correct and productive manner. The Internal Code of Conduct is an integral part of the 231 Organisational and Management Model, which represents the right tool for ensuring a strong focus on compliance with Italian Legislative Decree No. 231/2001 on vicarious corporate liability.

Corporate Governance Code for Listed Companies of Borsa Italiana

As a Company whose shares are listed on the market managed and organised by Borsa Italiana S.p.A., Banca Generali S.p.A. has also decided to adhere to **Borsa Italiana's Corporate Governance Code for Listed Companies**.

Anti-Bribery & Corruption Policy¹¹⁵ and AML/IS Policy

With regard to the aspects able to counter possible cases of corruption, Banca Generali S.p.A. has adopted measures to regulate and monitor the following areas:

- › MiFID II Directive;
- › Supervisory provisions on banking transparency;
- › Insurance Distribution Directive (IDD);
- › 5th Anti-Money Laundering Directive;
- › tax due diligence;
- › whistleblowing;
- › Organisational and Management Model;
- › anti-bribery and corruption;
- › anti-money laundering;
- › Tax Compliance Policy.

In fact, in addition to the **Anti-Bribery & Corruption Policy**¹¹⁶, the Banking Group has also specifically adopted the **Anti-Money Laundering, Counter-Terrorist Financing, and International Sanction Policy** (AML/IS Policy). This Policy falls within the Bank's broader internal control system aimed at ensuring compliance with the legislation in force and is the document of reference for the Banking Group's overall framework of anti-money laundering, counter-terrorist financing and international sanction controls, defined in accordance with the strategic and operational guidelines.

The main objective of the **AML/IS Policy** is to define:

- › the governance rules, roles and responsibilities with regard to money-laundering, terrorist financing and international sanction risks to be adopted within the Banking Group, in compliance with the limits allowed by national legislation with reference to Companies based in a non-EU Country and without prejudice to the application of the more restrictive limits imposed by national legislation;
- › the guidelines for combating money-laundering, terrorist financing, and international sanction risks.

As part of the money-laundering and terrorist financing risk management, the Bank prepares the **Annual Anti-Financial Crime Report** to inform the Board of Directors of the activities carried out by the Head of AFC and the controls performed by the relevant functions, as well as the document on the results of the self-assessment on money-laundering risks. With yearly frequency, the Anti-Money Laundering Function submits to the body with strategic oversight functions also a report on the controls conducted on Subsidiaries.

Whistleblowing Policy

In 2023, Banca Generali also adopted a new Whistleblowing Policy — updated in 2025 — in compliance with EU Directive 2019/193 and Italian Legislative Decree No. 24 of 10 March 2023, and drawing inspiration from Generali Group's Guidelines. Pursuant to this Policy, dedicated electronic whistleblowing channels and relevant information have been made available to all those concerned.

¹¹⁴ For further details on the specific provisions of the Sustainability Policy with regard to suppliers, see Section “G1-2: Management of relationships with suppliers”.

¹¹⁵ For further information on this Policy, see Section “G1-3: Prevention and detection of corruption and bribery”.

¹¹⁶ For further information on this Policy, see Section “G1-3: Prevention and detection of corruption and bribery”.

The **Whistleblowing Policy** is publicly available from the corporate website and governs the whistleblowing procedures. Whistleblowing channels are intended for the Bank's employees, self-employed persons/collaborators/freelance professionals/consultants/volunteers/interns working at the Bank and for shareholders/persons with administrative, managing and control functions within the Bank.

The Whistleblowing Policy sets forth the activities to be implemented in managing reports, from initial assessments to communication of the outcome of investigations and the adoption of measures in the event of ascertained violations, in accordance with the applicable regulations on personal data processing and protection against retaliation.

To take stock of its monitoring of whistleblowing reports, the Bank draws up an annual **Report on the proper functioning of the whistleblowing system**, with information on the results of the activities performed following the reports received. The Report is then approved by the corporate bodies and made available to the Bank's personnel.

All the above-mentioned policies and procedures are communicated to all the People and members of the individual Boards of Directors of the Banking Group.

Management of relationships with suppliers

G1-2

Quality and compliance

Banca Generali Group develops contractual relationships only with qualified suppliers, i.e., those whose credentials are such as to provide them with a good degree of reliability and efficiency: the creation of a long-lasting and mutually beneficial network of relationships is indeed a strategic objective and a source of competitive success since it allows product and service quality to be kept high at all times.

Regarding IT service providers, Banca Generali prefers those who meet the best international standards. In fact, its main IT service providers — CSE and GOSP — meet the requirements of the **ISO 27001:2005** standard to protect information resources.

On 17 January 2025, the **EU DORA** (Digital Operational Resilience Act) became fully effective. As all the activities necessary to align the Banca Generali Group companies with the new regulatory requirements had been completed in 2024, the Group entered 2025 confirming its state of full operational compliance.

All actions undertaken played a strategic role in strengthening the Group's operational resilience and ensured structured, effective and consistent ICT and cyber risk management, in line with the provisions of EU regulations.

The main areas impacted by the EU DORA alignment were:

- › **ICT risk management and governance**
 - a comprehensive ICT risk management system was implemented;
 - ICT security governance policies, procedures and roles were defined and formalised.
- › **Reporting of and response to ICT incidents**
 - processes were developed for recording, classifying, managing and reporting ICT and IT security incidents;
 - incident response protocols to minimise operational, reputational and regulatory impacts were implemented.
- › **Digital operational resilience testing**
 - a plan for ongoing operational resilience tests was launched to assess the reliability and robustness of critical ICT systems;
 - tests included simulations, stress tests and vulnerabilities assessments, with the aim of timely identifying any weaknesses.
- › **Third-party ICT risk management**
 - the process for assessing, selecting and monitoring third-party ICT service providers was strengthened;
 - contractual and control criteria in line with the DORA security and resilience standard were defined;
 - ongoing monitoring allowed to supervise risks generated by reliance on critical suppliers.

Banca Generali Group operates in full compliance with the EU DORA, applying an ICT and cyber risk management model oriented towards prevention, resilience and continuous improvement.

Procurement process

In line with the criteria defined by Generali Group, the Bank asks its contractual partners to align with its management policies when carrying out their own activity and to ensure that these policies are observed at all levels of the supply chain.

Moreover, in an increasingly complex operational context, Banca Generali constantly forges ahead with the process of improving the efficiency of active suppliers:

- › on the one hand, by supporting a network of lasting and mutually satisfactory relationships with qualified contractual partners and promoting dialogue with them;
- › on the other hand, by developing an increasingly automated supply management process and encouraging the use of digital tools (e.g., favouring the digital archiving of contracts).

With a view to continuously improving activities, outsourced services are also constantly monitored, with particular attention to the maintenance of an adequate service quality: the procurement process is governed by specific and constantly updated internal normative documents, which provide the guidelines for proper procurement management and for supplier selection and supply contract award procedures. A specific procedure is also envisaged not only for related party transactions and transactions involving a potential conflict of interest, but also for supplies qualifying as outsourced activities and services and ICT supplies, pursuant to the applicable legislation¹¹⁷.

During 2025, controls of the internal normative documents were further reinforced with regard to the formalisation of contracts with third parties, so as to minimise legal and non-compliance risks. These risks could in fact translate into contractual liabilities, as well as into sanctions, financial losses and potential reputational damage resulting from the breach of self-regulatory and external rules.

To this end, a process was developed and formalised in 2025 within a dedicated IT application with a view to managing, validating and digitally archiving purchase contracts. This process is structured in several subsequent phases and is supervised by the competent functions (e.g., Legal, IT, Compliance, Tax, Expenditure Owner, Procurement). The application workflow applies to all contracts falling within the source-to-pay process and complies with the authorisation process required by internal normative documents and Generali Group's provisions, ensuring high levels of control, traceability and compliance.

For each purchase, Banca Generali requests and compares several quotations through an appropriate evaluation and selection process involving suppliers deemed suitable (qualified) and using a specific scoring system defined in concert with Generali Group. The qualification system takes into account financial data, the risk assessment and the quality analysis of the goods/services supplied. In order to mitigate risks, regular controls and audits are performed, allowing to record and automatically update any changes that may affect the outcome of the qualification and the evaluation of the supplier concerned. The process of selecting suppliers is based on clear, well-defined and non-discriminatory procedures, through the exclusive use of objective, documentable and transparent parameters tied to the quality of the products and services offered. For purchases over 40,000 euros (excluding VAT), it is provided for that at least three qualified suppliers are generally involved in the selection process and their offers are examined so as to identify the most advantageous source in terms of total purchase cost, quality, delivery times and service performance. In 2025, 33 new relevant suppliers¹¹⁸ were selected and 11 suppliers, already active in 2024, completed the full qualification procedure and, having met the established criteria, were accordingly included in the "List of Qualified Suppliers". To ensure that the qualification process was properly completed, relevant suppliers were asked to commit to acting in accordance with Generali Group's policies on ethics, propriety, fairness, transparency and impartiality, as well as with its environmental and social policies.

In any event, suppliers are excluded and/or suspended if they fall within one of the following categories:

- a) bankruptcy, compulsory liquidation, composition with creditors and all procedures aimed at securing an official declaration of such situations;
- b) procedures for applying preventive measures or judgements against the supplier's owners/top managers;
- c) alleged serious errors or gross negligence, evidenced in any way by Generali Group and committed in the provision of previously awarded services or in the conduct of professional activity;
- d) violation of tax obligations according to the laws of the country of residence and/or non-payment of employee salaries and social security charges;

¹¹⁷ Group Policy on Outsourcing and Management of ICT Third Parties.

¹¹⁸ "Relevant supplier" means a supplier whose activities with the Group have an estimated value of over 150,000 euros per year.

- e) failure to honour payment obligations to tax authorities and social security institutions;
- f) breach of the principles indicated in the **Ethical Code for Suppliers of the Generali Group**¹¹⁹ and/or failure to meet the so-called “minimum obligatory sustainability requirements”;
- g) legal actions and/or judicial proceedings brought by the supplier against Generali Group;
- h) any other conditions imposed by the Group or Local Compliance office.

In order to mitigate risks, regular controls and checks are in place for all suppliers, even those not included in the full qualification process, which is instead mandatory for relevant suppliers.

In 2025, Intermonte was included in the consolidation scope. As part of the integration process, in 2025 the procedures for managing the source-to-pay process started to be aligned with the model already adopted by Banca Generali. In particular, the same structured, digitalised process was implemented to manage, validate and archive contracts and purchases, so as to ensure operational uniformity, traceability and compliance with internal and Group normative documents.

This process will become fully operational in 2026, allowing for a full alignment with Banca Generali Group's control, governance and compliance standards.

Without prejudice to the primary need to meet the requesting office's requirements, and without running any type of supplier-related risk, the founding principle for selecting and choosing the supplier is to ensure the best economic supply conditions, through competition among several qualified suppliers and in full compliance with the Internal Code of Conduct adopted by the Bank. The Sustainability Policy also sets the objectives and commitments that guide the Group's choices and actions, including in procurement activities, in order to make a positive contribution to sustainable development. Accordingly, preference is given to suppliers with social responsibility policies that adopt ecological criteria (e.g., use of green technologies and procedures). In line with the Ethical Code for Suppliers of the Generali Group, which states the general principles that must underlie fruitful relationships with contractual partners, the Bank is committed to increasingly embedding ESG matters in the supply process. In collaboration with Generali Group and with support from a third-party infoproducer (IntegrityNext), the Bank has activated the ESG Assessment Service, involving all suppliers with a turnover in excess of 100,000 euros and covering a total of approximately 89% of the purchase value. This initiative calls for the assignment of an ESG rating to be used for selecting suppliers in the sourcing process and, above all, in the contract award procedure. Based on the answers given, there are four possible evaluations and the classification is based on four pillars, each with a specific series of questions and certifications to be submitted:

- › Human rights and Labour rights;
- › Health and safety;
- › Environmental protection;
- › Responsible supply chain.

The activity of assigning an ESG rating to suppliers will continue in 2026 so as to ensure an increasingly accurate and updated classification¹²⁰.

Prevention and detection of corruption and bribery

G1-3

In 2024, Banca Generali S.p.A.'s Board of Directors approved a specific **Anti-Bribery & Corruption Policy** (or “ABC Policy”), in line with the standards of Assicurazioni Generali Group's Parent Company.

The Policy sets forth the framework through which Banca Generali Group manages the anti-bribery and corruption (“ABC”) risk so as to prevent cases of corruption and other similar offences and to comply with ABC international regulations. The Policy aims to:

- a) prevent the Bank and the Banking Group Subsidiaries from being involved in the most common corrupt practices;
- b) protect the Group and its personnel against any vicarious corporate or personal liability arising from ABC laws and regulations;
- c) protect the reputation and brand of Banca Generali and the Banking Group, minimising ABC risks.

The Chief Anti Financial Crime Office function is independent and responsible for supervising all ABC activities.

¹¹⁹ The Ethical Code for Suppliers of the Generali Group was endorsed by Banca Generali Group following approval of Banca Generali S.p.A.'s Board of Directors.

¹²⁰ For further information on supplier payment practices, see Section “G1-6: Payment practices”.

The ABC Policy has been conveyed to all the People and to the members of the individual Boards of Directors of the Banking Group. With regard to the new ABC Policy and the related operational and control processes, **a dedicated training programme (Be Aware of Anti-Bribery & Corruption), organised by the parent company Assicurazioni Generali**, has been provided to all personnel starting from late of 2024¹²¹.

These initiatives are in addition to those already implemented, as Banca Generali aims at actively contributing to economic and social development based on respect for human rights, professional ethics and business transparency, both in the short and long term, incorporating these goals in its conduct, in compliance with its Internal Code of Conduct.

Regarding anti-corruption training, in addition to the above-mentioned initiatives related to the ABC Policy, a specific course relating to Italian Legislative Decree No. 231/2001 was again organised in 2025, also covering corruption offences.

In 2025, for their respective Boards of Directors, the AFC Functions of Banca Generali and BG Fund Management Luxembourg conducted induction sessions focusing, among other topics, on anti-bribery and anti-corruption matters.

TRAINING ON ANTI-CORRUPTION AND BRIBERY	2025 ¹²²		2024	
	ALL EMPLOYEES (INCLUDING MANAGERS)	FINANCIAL ADVISOR NETWORK	ALL EMPLOYEES (INCLUDING MANAGERS)	FINANCIAL ADVISOR NETWORK
Total	1,313	2,364	1,104	2,349
Total receiving training	1,134	2,316	1,047	2,301
Classroom training (hours)	n.d.	n.d.	n.d.	n.d.
Computer-based training (hours)	3,624 ¹²³	4,632	3,091.5	4,602
Voluntary computer-based training (hours)	-	-	4.5	-
How often training is required (No. of times in the reporting period)	1	1	1	1
Definition of corruption	X		X	
Policy	X		X	
Procedures on suspicion/detection	X	X	X	X
Other (specify)			The Organisational, Management and Control Model and the Supervisory Board, general principles for preventing offences and crimes	The Organisational, Management and Control Model and the Supervisory Board, general principles for preventing offences and crimes

G1-4**Confirmed incidents of corruption or bribery**

No incidents of corruption or bribery were confirmed in 2025. In addition, no convictions or sanctions for anti-corruption breaches were reported in the year.

G1-5**Political influence and lobbying activities**

Banca Generali Group does not provide disclosure on ESRS G1-5 regarding political influence and lobbying activities, as the Double Materiality Analysis did not identify this topic as material. However, it is clarified that the Banking Group is not involved in any activity aimed at exercising political influence, as stated in its Internal Code of Conduct and in its Sustainability Policy.

¹²¹ It should be noted that Banca Generali did not conduct any assessment concerning the functions within the undertaking that are most at risk in respect of corruption and bribery (ESRS G1-1 10.h).

¹²² It should be noted that the 2025 data includes all personnel who attended anti-corruption courses at 31 December 2025, regardless of the year in which such courses were attended.

¹²³ Online training courses were: "La responsabilità amministrativa degli enti: profili di rischio per la banca" (The administrative liability of entities: the Bank's risk profiles) and "Be Aware of Anti-Bribery & Corruption" for the employees of the Bank and Generfid and "Be Aware of Anti-Bribery & Corruption" for the employees of BG Suisse, BG Valeur and BG Fund Management Luxembourg. No anti-corruption training initiatives were launched at Intermonite in 2025: the plan for gradually integrating it into the Banking Group led to the company's endorsement of the Anti-Bribery & Corruption Policy in the second half of the year. The Financial Advisor Network was provided the course "La responsabilità amministrativa degli enti D.Lgs. 231/2001" (The administrative liability of entities - Italian Legislative Decree 231/2001).

Payment practices

G1-6

Supplier base and payment terms and conditions

In 2025, Banca Generali Group engaged in dealings with **1,928 suppliers**, generating a total value of **177.845 million euros**, broken down as follows:

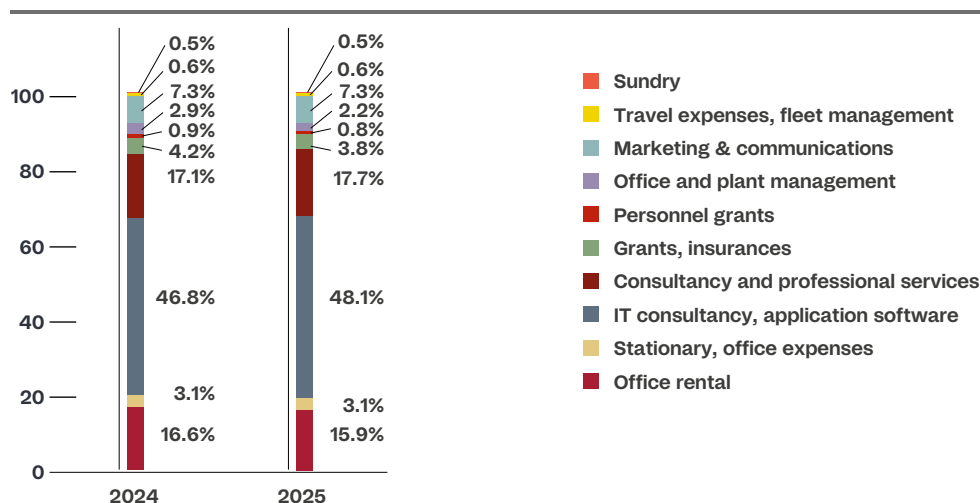
- › **146.556 million euros (82.41% of the total)** referring to Italian suppliers;
- › **31.289 million euros (17.59% of the total)** to foreign suppliers.

Breakdown of suppliers by type and percentage value of the supply:

	2025	2024
Number of suppliers	1,928	1,660
Expenditure/suppliers (€ thousand)	177,845	156,618
Office rental	15.9%	16.6%
Stationery, office expenses	3.1%	3.1%
IT consultancy, application software	48.1%	46.8%
Consultancy and professional services	17.7%	17.1%
Grants, insurance	3.8%	4.2%
Personnel grants	0.8%	0.9%
Office and plant management	2.2%	2.9%
Hardware, infrastructure costs	-	-
Marketing & communications	7.3%	7.3%
Travel expenses, fleet management	0.6%	0.6%
Sundry	0.5%	0.5%

Banca Generali offers its suppliers a standard payment term of 60 days from invoice date, accepting changes should the conditions apply. Special payment terms in line with market conditions are agreed for certain supplies (e.g., rentals).

In accordance with the provisions of the Growth Decree (Italian Law No. 58 of 28 June 2019) and Article 7-ter of Italian Legislative Decree No. 231/2002 on combating late payments in commercial transactions, it should be noted that an analysis of transactions carried out by Banca Generali in the reporting year showed that 41 days was the average time for payments to its suppliers (in line with 2024). The few delays recorded were generally limited (5 calendar days, in line with the previous year) and almost exclusively linked to the fact that the Bank prepares payment flows on a weekly basis. Subsidiaries were also committed to meeting payment deadlines. As a further proof of Banca Generali Group's attention to meeting contractual deadlines and ensuring transparent and fair relationships with its commercial partners, it should be noted that in 2025 the Banking Group was not involved in any legal proceedings due to late payment of suppliers.



Annex 1 - Disclosure pursuant to Annex VI of Commission Delegated Regulation (EU) 2026/73¹²⁴

To comply with the EU Taxonomy regulatory requirements, cross-cutting analyses were carried out with the aim of identifying and retrieving the required data, analysing the regulations in force and implementing this disclosure. Data was collected also with the support of a specialised info-provider.

The Banking Group's quantitative disclosure templates at 31 December 2025 and the related quantitative data are given here below.

Data sources and scope of assets covered by KPIs

In line with the previous reporting years, in 2025 the Banking Group continued to prepare the EU Taxonomy templates that credit institutions must use. In light of Commission Delegated Regulation (EU) 2026/73 and in line with the relevant suggestions and recommendations of the European regulator, Banca Generali has already adopted, as of this reporting year, the new methods for calculating Taxonomy KPIs and the new disclosure templates, contained in this Annex.

The analysis was based on precise and granular data from the Banking Group's accounting and/or management systems, regarding both on- and off-balance sheet assets, in addition to Taxonomy data made available by infoproviders. In particular, the regulatory reporting FINREP (FINancial REPorting) database is the base for populating the templates (also in accordance with the indication given in FAQ 56 in Commission Notice C/2024/6691). Specifically, filling in Template 1 (in terms of both stock and flow) is instrumental to preparing all other Taxonomy templates. Template 1 includes information on exposures to assets for calculating KPIs. In particular:

- › the following on-balance-sheet assets are used to **calculate the GAR KPI** (both the numerator and denominator): loans and advances, debt securities and equity instruments not held for trading towards financial undertakings, non-financial undertakings¹²⁵, households and local governments. Residential and non-residential repossessed real estate collateral in exchange for the cancellation of debts are also included, as are, pursuant to the new Commission Delegated Regulation (EU) 2026/73, exposures included on a voluntary basis, such as those towards undertakings not subject to CSRD disclosure obligations, but preparing a sustainability statement on a voluntary basis (rows from 1 to 20 of the template);
- › the following on-balance-sheet assets are not used to **calculate the GAR KPI** (neither the numerator nor denominator): exposures to central governments and supranational issuers, central banks and the trading book, as well as exposures (loans and advances, debt securities and equity instruments) towards financial and non-financial undertakings not subject to CSRD disclosure obligations and not preparing a sustainability statement, not even on a voluntary basis. Derivatives, on demand interbank loans, cash and cash-related assets and other categories of assets (e.g. goodwill, commodities, etc.) are also excluded from the GAR calculation (rows from 21 to 39 of the template);
- › the following off-balance-sheet assets are used to **calculate the KPI off-balance-sheet exposures** (both the numerator and denominator): financial guarantees supporting loans and advances or debt securities of undertakings (financial and non-financial undertakings subject to CSRD disclosure obligations) and assets under management relating to financial and non-financial undertakings subject to CSRD disclosure obligations (rows from 41 to 44 of the template). The latter category includes both collective and individual portfolio management.

For the purposes of this disclosure, the Banking Group's assets most used to calculate the GAR KPI numerator are related to the investment portfolio. In fact, lending is ancillary to the Banking Group's core business.

¹²⁴ This Regulation amends Commission Delegated Regulation (EU) 2021/2178 as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities and Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 as regards simplification of certain technical screening criteria for determining whether economic activities cause no significant harm to environmental objectives.

¹²⁵ According to FAQ 16 of Commission Notice C/2024/6691, only undertakings subject to CSRD disclosure obligations or for which Taxonomy disclosures are available are included in the KPI numerator and denominator.

Contextual information on the calculation methodology

The preparatory activities for the 2025 disclosure are in line with the previous year; however, the new calculation methods and new disclosure templates introduced by Commission Delegated Regulation (EU) 2026/73 required an overall revision and update of the KPI calculation methods, instrumental to preparing a transparent disclosure in compliance with the regulatory framework. Below is a detailed description of the methodology adopted by the Banking Group for 2025, specifying both the main impediments encountered and the methodological changes made with respect to the previous disclosure.

Database of reference

In line with the previous year, in light of FAQ 56 in Commission Notice C/2024/6691, the regulatory reporting FINREP (FINAncial REPorting) database at the disclosure reference date was used. Such database refers to the scope of prudential consolidation, as it is based on the gross carrying amount of on- and off-balance sheet assets at 31 December 2025 obtained from the regulatory reporting database. This disclosure also takes into account the expansion of the Banking Group's scope of prudential consolidation and covers also the assets of companies that were included the Banking Group in the reporting year.

Identification of newly incurred exposures for 2025

As regards financial year 2025, information regarding both stock and flow is disclosed. In order to compute the flow (new exposures incurred in 2025), the same calculation methods used for 2024 were applied, in accordance with the interpretation and application as per FAQ 65 of Commission Notice C/2024/6691. The methodology used for each type of asset used to calculate the Banking Group's KPI numerator is as follows:

- › loans and advance and financial guarantees issued: a screening was executed to identify new exposures based on the loan origination date (from 1 January to 31 December 2025) — information included in the regulatory reporting FINREP database;
- › debt securities and equity instruments of the proprietary portfolio (banking book) and assets under management (individual and collective portfolio management): all purchases made from 1 January to 31 December 2025 (gross flow) were taken into account to identify new exposures.

Calculation of Taxonomy-eligible and Taxonomy-aligned exposure

As regards financial year 2025, the refined methodological criteria developed and the availability of data that were not previously available enabled a further enhancement of the calculation method. For each type of counterparty and each financial instrument falling within the scope of the EU Taxonomy, Taxonomy-eligible exposures were calculated as follows:

- › **financial and non-financial undertaking subject to CSRD disclosure obligations:** exposures were weighted based on the proportions of Taxonomy-eligible/aligned Turnover and CapEx specifically disclosed by counterparties for the objectives identified by the EU Taxonomy, using the most recent data available. In order to avoid double counting in computing Taxonomy-eligible/aligned exposures, the proportions of Taxonomy-eligible/aligned economic activities with respect to environmental objectives were calculated based on the data disclosed by counterparties, provided by infoproviders. Where data on a specific environmental objective to which exposures contributed was not available, the total Taxonomy-eligible/aligned exposure was assigned to the climate change mitigation objective, deemed the most relevant.

As regards debt securities classified as Green Bonds, Sustainability Bonds or Social Bonds, for which the use of proceeds is thus known and specific, the proportion of use of proceeds invested in Taxonomy-eligible/aligned economic activities, based on the data provided by infoproviders, was considered. In all other cases, the proportion of Taxonomy-eligibility/alignment as disclosed by counterparties (unknown use of proceeds) in their last available sustainability statement was taken into consideration.

Considering the provisions of FAQs 29 and 31 of Commission Notice C/2024/6691, the specific data disclosed by counterparties also for the other 4 environmental objectives¹²⁶ were used, with no estimates or approximations in case of missing data.

In addition, in light of FAQ 13 of Commission Notice C/2024/6691, for subsidiaries of corporate groups that disclose Taxonomy KPIs, the proportion of Taxonomy-eligibility/alignment disclosed by their respective parents or ultimate parents was used, where possible;

¹²⁶ Sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems.

- › **households – of which loans collateralised by residential immovable property:** this category includes all loans supported by real estate collateral. In line with 2024, only loans aimed at the construction or acquisition of buildings — activities “7.1 Construction and real estate activities” and “7.7 Acquisition and ownership of buildings” — were taken into account to calculate Taxonomy-eligibility with regard to the climate change mitigation objective (the most relevant). This process was carried out on the basis of the information included in the regulatory reporting database and specifying the economic purpose of the loan in accordance with the applicable industry regulations.
The analysis of residential immovable properties was enhanced compared to 2024, assessing the alignment with the EU Taxonomy. To this end, the necessary information set (energy efficiency data of buildings) was obtained from the infoprotector to assess compliance with the EU Taxonomy criteria referring to the activity “7.7 Acquisition and ownership of buildings”, which contributes to the climate change mitigation objective. In particular, the following methodology was applied to the Bank’s real estate portfolio:
 - the Taxonomy-alignment assessment covered residential immovable properties used as collateral in loans, the aim of which falls within the activity “7.7 Acquisition and ownership of buildings”, in accordance with the interpretation as per FAQ 24 of Commission Notice C/2024/6691;
 - as regards the criterion concerning substantial contribution, buildings built before 31 December 2020 with an Energy Performance Certificate (EPC) class A label or, alternatively, a Primary Energy Demand (PED) falling within the top 15% of the building stock were considered aligned. The assessment of the top 15% was conducted by comparing the energy performance of buildings with the thresholds, broken down by type of building and country, made available by a third-party provider¹²⁷ used at market level;
 - as regards the DNSH criteria for the climate change adaptation objective, the assessment of physical risk to which buildings used as collateral are exposed was conducted by infoprotectors based on their proprietary methodologies. The results of these assessments were therefore used for verifying compliance with the DNSH requirements laid down by the EU Taxonomy Regulation;
- › **households – of which building renovation loans:** this category includes loans to the Banking Group’s customers for the renovation of buildings. To date, the Banking Group does not have any information in its regulatory reporting systems and procedures that would allow it to identify loans for the renovation of buildings;
- › **households – of which motor vehicle loans:** this category includes loans to the Banking Group’s customers for the acquisition of a motor vehicle. No exposures of this type are identified in the reporting year;
- › **local government financing:** this category includes exposures to local governments. The sole exposures for which the use of proceeds is known are used, as specified in FAQs 15 and 47 of Commission Notice C/2024/6691. In the reporting year, some Taxonomy-aligned exposures were reported that fall within this category and refer to debt securities with known use of proceeds issued by local governments.
- › **collateral obtained by taking possession:** this category includes repossessed real estate collateral in exchange for the cancellation of debts. No collateral of this type were in place in the reporting year.

With support from the infoprotector, the portfolio relating to the funds in which the Banking Group invests is analysed using a “look-through” approach, gathering all the information on the underlying securities necessary for the purposes of disclosure, in order to obtain a granular view of the entire portfolio. This approach is in line with the specifications of FAQ 13 published by the European Commission in January 2022. In light of the new disclosure requirements introduced by Commission Delegated Regulation (EU) 2026/73, which require the disclosure of all exposures not assessed for Taxonomy purposes on the grounds of their non-materiality, it should be noted that the sections set out in columns n) and o) of Template 1 were valued at “zero” since they are not applicable to financial year 2025. This is due to the unavailability of the necessary information (such as the percentages of non-material turnover and CapEx) in the most recent sustainability statements prepared by the financial and non-financial undertakings included in the portfolio and used for the reporting period. This information will be available for the first time in the 2025 sustainability statement and will therefore be available and used for financial year 2026. As regards the sections set out in column p) of Template 1, the Banking Group conducted a Taxonomy assessment (in terms of Taxonomy-eligibility or Taxonomy-alignment) on all on-balance-sheet assets whose use of proceeds is known, as the possibility to omit the assessment — namely where the cumulative value of those assets is below 10% of all on-balance sheet assets whose use of proceeds is known¹²⁸ — was not met. Accordingly, column p) was valued at “zero”.

¹²⁷ www.deepki.com/solutions/deepki-index/

¹²⁸ See Article 4, paragraph 1(a to f), of Commission Delegated Regulation (EU) No. 2026/73.

Nature, objective and evolution of Taxonomy-aligned economic activities

The major updates made to the methodology by the recent Commission Delegated Regulation (EU) 2026/73 and the use of new information taken from accounting and/or management systems are the main reasons for the evolution of the Banking Group's proportion of Taxonomy-alignment.

Below are the values of the main KPIs disclosed:

- › Turnover-based GAR stock at 31 December 2025 equal to 18.11%, compared to 3.35% at 31 December 2024;
- › CapEx-based GAR stock at 31 December 2025 equal to 18.43%, compared to 3.34% at 31 December 2024;
- › Turnover-based KPI stock on financial guarantees at 31 December 2025 equal to 0.00%, compared to 0.01% at 31 December 2024;
- › CapEx-based KPI stock on financial guarantees at 31 December 2025 equal to 0.00%, compared to 0.02% at 31 December 2024;
- › Turnover-based KPI stock on assets under management at 31 December 2025 equal to 14.72%, compared to 2.07% at 31 December 2024;
- › CapEx-based KPI stock on assets under management at 31 December 2025 equal to 18.45%, compared to 2.50% at 31 December 2024.

In general, as already specified, KPIs at 31 December 2025 resulting from the comparative analysis were significantly higher than those at 31 December 2024. This variation was mainly attributable to the different regulatory requirements applicable to calculate the KPI denominator. The KPI on financial guarantees is an exception as it amounted to 0.00% for the reporting period, due to the absence of financial and non-financial undertakings subject to CSRD disclosure obligations, unlike in financial year 2024.

Key performance indicators (KPIs)

The KPIs required under Commission Delegated Regulation (EU) 2026/73 are reported here below in tabular form, as specified in Annex VI to the said Regulation.

1.1 Banking Group disclosure: methodology and main results

TEMPLATE 0. SUMMARY OF KPIs

DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025		TOTAL EXPOSURE TO TAXONOMY-ALIGNED ACTIVITIES (CURRENCY)	
		TURNOVER-BASED	CAPEX-BASED
Main KPI	Green asset ratio (GAR) stock	341	347
(1) Based on the Turnover KPI of the counterparty. (2) Based on the CapEx KPI of the counterparty. (3) % of assets covered by the KPI over banks' total assets. (4) In accordance with Article 7(8) of this Regulation. (5) Fee and commission income from services other than lending and AUM.			

DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025		TOTAL EXPOSURE TO TAXONOMY-ALIGNED ACTIVITIES (CURRENCY)	
		TURNOVER-BASED	CAPEX-BASED
Additional KPI	GAR (flow)	98	105
	Trading book		
	Financial guarantees	-	-
	Assets under management	1,174	1,472
	Fee and commission income ⁽⁶⁾		
(1) Based on the Turnover KPI of the counterparty. (2) Based on the CapEx KPI of the counterparty. (3) % of assets covered by the KPI over banks' total assets. (4) In accordance with Article 7(8) of this Regulation. (5) Fee and commission income from services other than lending and AUM. Note 1. Across the reporting templates: cells shaded in black should not be reported. Note 2. Fee and Commission (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2028.			

	KPI ⁽¹⁾ (%) TURNOVER-BASED	KPI ⁽²⁾ (%) CAPEX-BASED	% COVERAGE (OVER TOTAL ASSETS) ⁽³⁾ (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁽⁴⁾ (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁽⁵⁾ (%)
	18.11%	18.43%	10.20%	-	-

	KPI ⁽¹⁾ (%) TURNOVER-BASED	KPI ⁽²⁾ (%) CAPEX-BASED	% COVERAGE (OVER TOTAL ASSETS) ⁽³⁾ (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁽⁴⁾ (%)	NON-ASSESSED EXPOSURES (% OF COVERED ASSETS) ⁽⁵⁾ (%)
	10.53%	11.29%	29.52%	-	-
	-	-	-	-	-
	14.72%	18.45%	20.76%	-	-

TEMPLATE 1. ASSETS FOR THE CALCULATION OF GAR - CAPEX STOCK

	DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025 (€ MILLION)	A TOTAL (GROSS) CARRYING AMOUNT	B OF WHICH TAXONOMY- ELIGIBLE	C OF WHICH TAXONOMY- ALIGNED	D BREAKDOWN PER ENV		
					CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RE- SOURC- ES (WTR)
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	1,883	950	347	347	0	0
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	1,883	950	347	347	0	0
3	Financial undertakings	1,597	677	283	283	0	0
4	Loans and advances	445	108	9	8	0	0
5	Debt securities, including UoP	1,149	568	275	274	0	0
6	Equity instruments	2	0	0	0	0	0
7	Non-financial undertakings	33	30	24	24	0	0
8	Loans and advances	1	0	0	0	0	0
9	Debt securities, including UoP	32	30	24	24	0	0
10	Equity instruments	0	0	0	0	0	0
11	Households	211	207	10	10	0	
12	of which loans collateralised by residential immovable property	211	207	10	10	0	
13	of which building renovation loans	0	0	0	0	0	
14	of which motor vehicle loans	0	0	0	0		
15	Local governments financing	42	36	30	30	0	0
16	Housing financing	0	0	0	0	0	
17	Other local government financing	42	36	30	30	0	0
18	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	
19	Exposures included on a voluntary basis ⁽³⁾	0	0	0	0	0	
20	Total GAR assets	1,883					
21	Assets not covered for GAR calculation	16,578					
22	Central governments and Supranational issuers	9,546					
23	Central banks exposure	432					
24	Trading book	146					
25	Financial and Non-financial undertakings	3,067					
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	2,868					
27	Loans and advances	1,035					
28	of which loans collateralised by commercial immovable property	13					
29	of which building renovation loans	0					
30	Debt securities	1,336					
31	Equity instruments	497					
32	Non-EU country counterparties not subject to CSRD disclosure obligations	199					
33	Loans and advances	61					
34	Debt securities	131					
35	Equity instruments	7					
36	Derivatives	153					
37	On demand interbank loans	77					
38	Cash and cash-related assets	30					
39	Other categories of assets (e.g. Goodwill, commodities etc.)	3,126					
40	Total assets	18,461					
OFF-BALANCE SHEET EXPOSURES (STOCK) TO UNDERTAKINGS SUBJECT TO CSRD DISCLOSURE OBLIGATIONS AND LOCAL GOVERNMENTS							
41	Financial guarantees	0	0	0	0	0	0
42	Assets under management	7,978	3,713	1,472	1,436	12	5
43	Of which debt securities	4,376	2,209	1,034	1,020	4	2
44	Of which equity instruments	3,602	1,504	438	415	8	3

(1) In accordance with Article 7(8)(a) and (b) of this Regulation - (2) In accordance with Article 4(1a) of this Regulation - (3) In accordance with Article 7(3) of this Regulation.

Note 1. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through

Note 2. Credit institutions shall duplicate this template for reporting on stocks for the calculation of GAR stock, and reporting on new assets for the calculation of GAR flow

Note 3. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

TEMPLATE 1. ASSETS FOR THE CALCULATION OF GAR - TURNOVER STOCK

	DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025	A	B	C	D	E	F
					BREAKDOWN PER ENV		
	(€ MILLION)	TOTAL (GROSS) CARRYING AMOUNT	OF WHICH TAXONOMY-ELIGIBLE	OF WHICH TAXONOMY-ALIGNED	CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RE-SOURCES (WTR)
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	1,883	947	341	341	0	0
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	1,883	947	341	341	0	0
3	Financial undertakings	1,597	674	277	277	0	0
4	Loans and advances	445	107	8	7	0	0
5	Debt securities, including UoP	1,149	566	270	269	0	0
6	Equity instruments	2	0	0	0	0	0
7	Non-financial undertakings	33	30	24	24	0	0
8	Loans and advances	1	0	0	0	0	0
9	Debt securities, including UoP	32	30	24	24	0	0
10	Equity instruments	0	0	0	0	0	0
11	Households	211	207	10	10	0	
12	of which loans collateralised by residential immovable property	211	207	10	10	0	
13	of which building renovation loans	0	0	0	0	0	
14	of which motor vehicle loans	0	0	0	0		
15	Local governments financing	42	36	30	30	0	0
16	Housing financing	0	0	0	0	0	
17	Other local government financing	42	36	30	30	0	0
18	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	
19	Exposures included on a voluntary basis ⁽³⁾	0	0	0	0	0	
20	Total GAR assets	1,883					
21	Assets not covered for GAR calculation	16,578					
22	Central governments and Supranational issuers	9,546					
23	Central banks exposure	432					
24	Trading book	146					
25	Financial and Non-financial undertakings	3,067					
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	2,868					
27	Loans and advances	1,035					
28	of which loans collateralised by commercial immovable property	13					
29	of which building renovation loans	0					
30	Debt securities	1,336					
31	Equity instruments	497					
32	Non-EU country counterparties not subject to CSRD disclosure obligations	199					
33	Loans and advances	61					
34	Debt securities	131					
35	Equity instruments	7					
36	Derivatives	153					
37	On demand interbank loans	77					
38	Cash and cash-related assets	30					
39	Other categories of assets (e.g. Goodwill, commodities etc.)	3,126					
40	Total assets	18,461					
	OFF-BALANCE SHEET EXPOSURES (STOCK) TO UNDERTAKINGS SUBJECT TO CSRD DISCLOSURE OBLIGATIONS AND LOCAL GOVERNMENTS						
41	Financial guarantees	0	0	0	0	0	0
42	Assets under management	7,978	3,606	1,174	1,137	8	2
43	Of which debt securities	4,376	2,119	890	881	2	1
44	Of which equity instruments	3,602	1,487	285	256	6	1

(1) In accordance with Article 7(8)(a) and (b) of this Regulation - (2) In accordance with Article 4(1a) of this Regulation - (3) In accordance with Article 7(3) of this Regulation

Note 1. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through

Note 2. Credit institutions shall duplicate this template for reporting on stocks for the calculation of GAR stock, and reporting on new assets for the calculation of GAR flow.

Note 3. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

TEMPLATE 1. ASSETS FOR THE CALCULATION OF GAR - CAPEX FLOW

	DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025 (€ MILLION)	A TOTAL (GROSS) CARRYING AMOUNT	B OF WHICH TAXONOMY- ELIGIBLE	C OF WHICH TAXONOMY- ALIGNED	D BREAKDOWN PER ENV		
					CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RE- SOURC- ES (WTR)
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	933	311	105	104	1	0
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	933	311	105	104	1	0
3	Financial undertakings	889	269	72	71	1	0
4	Loans and advances	295	85	6	6	0	0
5	Debt securities, including UoP	211	109	45	45	0	0
6	Equity instruments	383	75	21	20	1	0
7	Non-financial undertakings	9	9	6	6	0	0
8	Loans and advances	0	0	0	0	0	0
9	Debt securities, including UoP	9	9	6	6	0	0
10	Equity instruments	0	0	0	0	0	0
11	Households	7	7	0	0	0	
12	of which loans collateralised by residential immovable property	7	7	0	0	0	
13	of which building renovation loans	0	0	0	0	0	
14	of which motor vehicle loans	0	0	0	0		
15	Local governments financing	27	27	27	27	0	0
16	Housing financing	0	0	0	0	0	
17	Other local government financing	27	27	27	27	0	0
18	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	
19	Exposures included on a voluntary basis ⁽³⁾	0	0	0	0	0	
20	Total GAR assets	933					
21	Assets not covered for GAR calculation	2,227					
22	Central governments and Supranational issuers	1,066					
23	Central banks exposure	0					
24	Trading book	146					
25	Financial and Non-financial undertakings	755					
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	706					
27	Loans and advances	455					
28	of which loans collateralised by commercial immovable property	0					
29	of which building renovation loans	0					
30	Debt securities	251					
31	Equity instruments	0					
32	Non-EU country counterparties not subject to CSRD disclosure obligations	49					
33	Loans and advances	14					
34	Debt securities	35					
35	Equity instruments	0					
36	Derivatives	22					
37	On demand interbank loans	0					
38	Cash and cash-related assets	0					
39	Other categories of assets (e.g. Goodwill, commodities etc.)	237					
40	Total assets	3,159					
OFF-BALANCE SHEET EXPOSURES (STOCK) TO UNDERTAKINGS SUBJECT TO CSRD DISCLOSURE OBLIGATIONS AND LOCAL GOVERNMENTS							
41	Financial guarantees	0	0	0	0	0	0
42	Assets under management	7,059	3,250	1,207	1,158	10	4
43	Of which debt securities	3,407	1,678	765	738	3	2
44	Of which equity instruments	3,652	1,572	443	421	8	3

(1) In accordance with Article 7(8)(a) and (b) of this Regulation - (2) In accordance with Article 4(1a) of this Regulation - (3) In accordance with Article 7(3) of this Regulation

Note 1. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through

[illegible]

Note 2. Credit institutions shall duplicate this template for reporting on stocks for the calculation of GAR stock, and reporting on new assets for the calculation of GAR flow.

Note 3. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

TEMPLATE 1. ASSETS FOR THE CALCULATION OF GAR - TURNOVER FLOW

	DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025 (€ MILLION)	A TOTAL (GROSS) CARRYING AMOUNT	B OF WHICH TAXONOMY- ELIGIBLE	C OF WHICH TAXONOMY- ALIGNED	D BREAKDOWN PER ENV		
					CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RE- SOURC- ES (WTR)
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	933	303	98	97	1	0
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	933	303	98	97	1	0
3	Financial undertakings	889	260	65	64	1	0
4	Loans and advances	295	84	5	5	0	0
5	Debt securities, including UoP	211	106	43	43	0	0
6	Equity instruments	383	70	16	15	1	0
7	Non-financial undertakings	9	9	6	6	0	0
8	Loans and advances	0	0	0	0	0	0
9	Debt securities, including UoP	9	9	6	6	0	0
10	Equity instruments	0	0	0	0	0	0
11	Households	7	7	0	0	0	
12	of which loans collateralised by residential immovable property	7	7	0	0	0	
13	of which building renovation loans	0	0	0	0	0	
14	of which motor vehicle loans	0	0	0	0		
15	Local governments financing	27	27	27	27	0	0
16	Housing financing	0	0	0	0	0	
17	Other local government financing	27	27	27	27	0	0
18	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	
19	Exposures included on a voluntary basis ⁽³⁾	0	0	0	0	0	
20	Total GAR assets	933					
21	Assets not covered for GAR calculation	2,227					
22	Central governments and Supranational issuers	1,066					
23	Central banks exposure	0					
24	Trading book	146					
25	Financial and Non-financial undertakings	755					
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	706					
27	Loans and advances	455					
28	of which loans collateralised by commercial immovable property	0					
29	of which building renovation loans	0					
30	Debt securities	251					
31	Equity instruments	0					
32	Non-EU country counterparties not subject to CSRD disclosure obligations	49					
33	Loans and advances	14					
34	Debt securities	35					
35	Equity instruments	0					
36	Derivatives	22					
37	On demand interbank loans	0					
38	Cash and cash-related assets	0					
39	Other categories of assets (e.g. Goodwill, commodities etc.)	237					
40	Total assets	3,159					
OFF-BALANCE SHEET EXPOSURES (STOCK) TO UNDERTAKINGS SUBJECT TO CSRD DISCLOSURE OBLIGATIONS AND LOCAL GOVERNMENTS							
41	Financial guarantees	0	0	0	0	0	0
42	Assets under management	7,059	3,040	902	867	6	2
43	Of which debt securities	3,407	1,553	629	622	1	1
44	Of which equity instruments	3,652	1,486	272	245	5	1

(1) In accordance with Article 7(8)(a) and (b) of this Regulation - (2) In accordance with Article 4(1a) of this Regulation - (3) In accordance with Article 7(3) of this Regulation.

Note 1. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through

Note 2. Credit institutions shall duplicate this template for reporting on stocks for the calculation of GAR stock, and reporting on new assets for the calculation of GAR flow.

Note 3. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

TEMPLATE 2. GAR SECTOR INFORMATION - CAPEX STOCK

DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025

	A	B	C	D	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL) (€ MILLION)	TOTAL (GROSS) CARRYING AMOUNT	OF WHICH TAXONOMY ELIGIBLE	OF WHICH TAXONOMY ALIGNED	
1	K6419 - Other monetary intermediation	1,246	498	171	
2	K6512 - Non-life insurance	50	17	12	
3	C2910 - Manufacture of motor vehicles	36	34	22	
4	F4299 - Construction of other civil engineering projects n.e.c	18	18	18	
5	K6612 - Security and commodity contracts brokerage	3	0	0	
6	N7711 - Renting and leasing of cars and light motor vehicles	3	3	0	
7	M7010 - Activities of head offices	3	1	0	
8	K6619 - Other activities auxiliary to financial services, except insurance and pension funding	2	2	1	
9	K6630 - Fund management activities	1	0	0	
10	M7020 - Management consultancy activities	0	0	0	
11	Nuclear activities ⁽¹⁾	0	0	0	
12	Fossil gas activities ⁽²⁾	0	0	0	
13	Of which non-assessed exposures ⁽³⁾	0			

(1) Referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

(2) Referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

(3) In accordance with Article 7(8) of this Regulation.

Note 1. Credit institutions shall disclose in this template information on top ten exposures in the banking book towards top ten sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty.**Note 2.** The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.**Note 3.** Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.**TEMPLATE 2. GAR SECTOR INFORMATION - TURNOVER STOCK**

DISCLOSURE REFERENCE DATE/PERIOD 31.12.2025

	A	B	C	D	
	BREAKDOWN BY SECTOR - NACE 4 DIGITS LEVEL (CODE AND LABEL) (€ MILLION)	TOTAL (GROSS) CARRYING AMOUNT	OF WHICH TAXONOMY ELIGIBLE	OF WHICH TAXONOMY ALIGNED	
1	K6419 - Other monetary intermediation	1,246	494	168	
2	K6512 - Non-life insurance	50	17	12	
3	C2910 - Manufacture of motor vehicles	36	35	19	
4	F4299 - Construction of other civil engineering projects n.e.c	18	18	18	
5	K6612 - Security and commodity contracts brokerage	3	1	0	
6	N7711 - Renting and leasing of cars and light motor vehicles	3	3	0	
7	M7010 - Activities of head offices	3	0	0	
8	K6619 - Other activities auxiliary to financial services, except insurance and pension funding	2	2	1	
9	K6630 - Fund management activities	1	0	0	
10	M7020 - Management consultancy activities	0	0	0	
11	Nuclear activities ⁽¹⁾	0	0	0	
12	Fossil gas activities ⁽²⁾	0	0	0	
13	Of which non-assessed exposures ⁽³⁾	0			

(1) Referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

(2) Referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

(3) In accordance with Article 7(8) of this Regulation.

Note 1. Credit institutions shall disclose in this template information on top ten exposures in the banking book towards top ten sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty.**Note 2.** The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.**Note 3.** Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

	E	F	G	H	I	J
	CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)
	171	0	0	0	0	0
	12	0	0	0	0	0
	22	0	0	0	0	0
	18	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	1	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0

	E	F	G	H	I	J
	CLIMATE CHANGE MITIGATION (CCM)	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)
	168	0	0	0	0	0
	12	0	0	0	0	0
	19	0	0	0	0	0
	18	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	1	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0

TEMPLATE 3. GAR KPI - CAPEX STOCK

DISCLOSURE REFERENCE DATE 31.12.2025		A	B	C	
% (COMPARED TO CORRESPONDING TOTAL COVERED ASSETS IN THE DENOMINATOR)		TAXONOMY-ELIGIBLE	TAXONOMY ALIGNED	CLIMATE CHANGE MITIGATION (CCM)	
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	50.46%	18.43%	18.42%	
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	50.46%	18.43%	18.42%	
3	Financial undertakings	35.94%	15.04%	15.03%	
4	Loans and advances	5.75%	0.45%	0.45%	
5	Debt securities, including UoP	30.17%	14.58%	14.57%	
6	Equity instruments	0.02%	0.01%	0.01%	
7	Non-financial undertakings	1.59%	1.29%	1.29%	
8	Loans and advances	0.01%	0.00%	0.00%	
9	Debt securities, including UoP	1.58%	1.29%	1.29%	
10	Equity instruments	0.00%	0.00%	0.00%	
11	Households	11.01%	0.51%	0.51%	
12	of which loans collateralised by residential immovable property	11.01%	0.51%	0.51%	
13	of which building renovation loans	0.00%	0.00%	0.00%	
14	of which motor vehicle loans	0.00%	0.00%	0.00%	
15	Local governments financing	1.91%	1.59%	1.59%	
16	Housing financing	0.00%	0.00%	0.00%	
17	Other local government financing	1.91%	1.59%	1.59%	
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	
19	Exposures included on a voluntary basis ⁽²⁾	0.00%	0.00%	0.00%	
20	GAR - Total GAR assets	50.46%	18.43%	18.42%	

(1) In accordance with Article 7(8) of this Regulation.

(2) In accordance with Article 7(3) of this Regulation.

Note 1. Institutions shall disclose in this template the GAR KPIs on stock of exposures calculated based on the data disclosed in template 1, on covered assets.

Note 2. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

	D	E	F	G	H	I	J	K	L	M
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									PROPORTION OF TAXONOMY ALIGNED IN TAXONOMY ELIGIBLE	NON ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING		
	0.01%	0.00%	0.00%	0.00%	0.00%	16.55%	2.40%	4.06%	36.53%	0.00%
	0.01%	0.00%	0.00%	0.00%	0.00%	16.55%	2.40%	4.06%	36.53%	0.00%
	0.01%	0.00%	0.00%	0.00%	0.00%	13.18%	2.23%	2.26%	29.81%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.05%	0.90%	0.00%
	0.01%	0.00%	0.00%	0.00%	0.00%	13.18%	2.16%	2.20%	28.90%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.01%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.28%	0.01%	1.28%	2.57%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.28%	0.01%	1.28%	2.57%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.51%	0.00%	0.00%	1.01%	0.00%
	0.00%		0.00%			0.51%	0.00%	0.00%	1.01%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
						0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.59%	0.16%	0.52%	3.14%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.59%	0.16%	0.52%	3.14%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
	0.01%	0.00%	0.00%	0.00%	0.00%	16.55%	2.40%	4.06%	36.53%	0.00%

TEMPLATE 3. GAR KPI - TURNOVER STOCK

DISCLOSURE REFERENCE DATE 31.12.2025		A	B	C	
	% (COMPARED TO CORRESPONDING TOTAL COVERED ASSETS IN THE DENOMINATOR)	TAXONOMY-ELIGIBLE	TAXONOMY ALIGNED	CLIMATE CHANGE MITIGATION (CCM)	
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	50.29%	18.11%	18.08%	
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	50.29%	18.11%	18.08%	
3	Financial undertakings	35.77%	14.72%	14.69%	
4	Loans and advances	5.69%	0.40%	0.40%	
5	Debt securities, including UoP	30.06%	14.31%	14.29%	
6	Equity instruments	0.02%	0.01%	0.00%	
7	Non-financial undertakings	1.59%	1.30%	1.30%	
8	Loans and advances	0.01%	0.00%	0.00%	
9	Debt securities, including UoP	1.58%	1.30%	1.30%	
10	Equity instruments	0.00%	0.00%	0.00%	
11	Households	11.01%	0.51%	0.51%	
12	of which loans collateralised by residential immovable property	11.01%	0.51%	0.51%	
13	of which building renovation loans	0.00%	0.00%	0.00%	
14	of which motor vehicle loans	0.00%	0.00%	0.00%	
15	Local governments financing	1.91%	1.59%	1.59%	
16	Housing financing	0.00%	0.00%	0.00%	
17	Other local government financing	1.91%	1.59%	1.59%	
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	
19	Exposures included on a voluntary basis ⁽²⁾	0.00%	0.00%	0.00%	
20	GAR - Total GAR assets	50.29%	18.11%	18.08%	

(1) In accordance with Article 7(8) of this Regulation.

(2) In accordance with Article 7(3) of this Regulation.

Note 1. Institutions shall disclose in this template the GAR KPIs on stock of exposures calculated based on the data disclosed in template 1, on covered assets.

Note 2. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

	D	E	F	G	H	I	J	K	L	M
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									PROPORTION OF TAXONOMY ALIGNED IN TAXONOMY ELIGIBLE	NON ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING		
	0.01%	0.00%	0.02%	0.00%	0.00%	16.55%	2.36%	3.83%	36.01%	0.00%
	0.01%	0.00%	0.02%	0.00%	0.00%	16.55%	2.36%	3.83%	36.01%	0.00%
	0.01%	0.00%	0.02%	0.00%	0.00%	13.18%	2.20%	2.03%	29.27%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.03%	0.79%	0.00%
	0.00%	0.00%	0.02%	0.00%	0.00%	13.18%	2.13%	2.00%	28.46%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.01%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.28%	0.01%	1.28%	2.58%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.28%	0.01%	1.28%	2.58%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.51%	0.00%	0.00%	1.01%	0.00%
	0.00%		0.00%			0.51%	0.00%	0.00%	1.01%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
						0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.59%	0.16%	0.52%	3.16%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	1.59%	0.16%	0.52%	3.16%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
	0.01%	0.00%	0.02%	0.00%	0.00%	16.55%	2.36%	3.83%	36.01%	0.00%

TEMPLATE 4. GAR KPI - CAPEX FLOW

	DISCLOSURE REFERENCE DATE 31.12.2025	A	B	C	
				CLIMATE CHANGE MITIGATION (CCM)	
	% (COMPARED TO CORRESPONDING TOTAL COVERED ASSETS IN THE DENOMINATOR)	TAXONOMY- ELIGIBLE	TAXONOMY ALIGNED		
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	33.39%	11.29%	11.18%	
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	33.39%	11.29%	11.18%	
3	Financial undertakings	28.79%	7.72%	7.61%	
4	Loans and advances	9.11%	0.67%	0.66%	
5	Debt securities, including UoP	11.65%	4.79%	4.79%	
6	Equity instruments	8.04%	2.26%	2.16%	
7	Non-financial undertakings	0.98%	0.66%	0.66%	
8	Loans and advances	0.00%	0.00%	0.00%	
9	Debt securities, including UoP	0.98%	0.66%	0.66%	
10	Equity instruments	0.00%	0.00%	0.00%	
11	Households	0.74%	0.03%	0.03%	
12	of which loans collateralised by residential immovable property	0.74%	0.03%	0.03%	
13	of which building renovation loans	0.00%	0.00%	0.00%	
14	of which motor vehicle loans	0.00%	0.00%	0.00%	
15	Local governments financing	2.88%	2.88%	2.88%	
16	Housing financing	0.00%	0.00%	0.00%	
17	Other local government financing	2.88%	2.88%	2.88%	
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	
19	Exposures included on a voluntary basis ⁽²⁾	0.00%	0.00%	0.00%	
20	GAR - Total GAR assets	33.39%	11.29%	11.18%	

(1) In accordance with Article 7(8) of this Regulation.

(2) In accordance with Article 7(3) of this Regulation.

Note 1. Institutions shall disclose in this template the GAR KPIs on flow of new loans and advances, debt securities, equity instruments, and repossessed collateral during the financial year prior to the disclosure reference date calculated based on the data disclosed in template 1, on covered assets.

Note 2. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

	D	E	F	G	H	I	J	K	L	M
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									PROPORTION OF TAXONOMY ALIGNED IN TAXONOMY ELIGIBLE	NON ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING		
	0.11%	0.00%	0.00%	0.00%	0.00%	7.71%	1.59%	2.78%	33.80%	0.00%
	0.11%	0.00%	0.00%	0.00%	0.00%	7.71%	1.59%	2.78%	33.80%	0.00%
	0.11%	0.00%	0.00%	0.00%	0.00%	4.17%	1.25%	1.18%	23.13%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.12%	0.08%	1.99%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	4.17%	1.06%	0.28%	14.36%	0.00%
	0.10%	0.00%	0.00%	0.00%	0.00%		0.08%	0.82%	6.78%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.64%	0.02%	0.64%	1.97%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.64%	0.02%	0.64%	1.97%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.03%	0.00%	0.00%	0.08%	0.00%
	0.00%		0.00%			0.03%	0.00%	0.00%	0.08%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
						0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	2.88%	0.32%	0.96%	8.62%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	2.88%	0.32%	0.96%	8.62%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
	0.11%	0.00%	0.00%	0.00%	0.00%	7.71%	1.59%	2.78%	33.80%	0.00%

TEMPLATE 4. GAR KPI - TURNOVER FLOW

	DISCLOSURE REFERENCE DATE 31.12.2025	A	B	C	
				CLIMATE CHANGE MITIGATION (CCM)	
	% (COMPARED TO CORRESPONDING TOTAL COVERED ASSETS IN THE DENOMINATOR)	TAXONOMY- ELIGIBLE	TAXONOMY ALIGNED		
1	GAR - COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR	32.51%	10.53%	10.40%	
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	32.51%	10.53%	10.40%	
3	Financial undertakings	27.91%	6.98%	6.85%	
4	Loans and advances	9.02%	0.58%	0.58%	
5	Debt securities, including UoP	11.36%	4.64%	4.62%	
6	Equity instruments	7.53%	1.76%	1.66%	
7	Non-financial undertakings	0.98%	0.65%	0.65%	
8	Loans and advances	0.00%	0.00%	0.00%	
9	Debt securities, including UoP	0.98%	0.65%	0.65%	
10	Equity instruments	0.00%	0.00%	0.00%	
11	Households	0.74%	0.03%	0.03%	
12	of which loans collateralised by residential immovable property	0.74%	0.03%	0.03%	
13	of which building renovation loans	0.00%	0.00%	0.00%	
14	of which motor vehicle loans	0.00%	0.00%	0.00%	
15	Local governments financing	2.88%	2.88%	2.88%	
16	Housing financing	0.00%	0.00%	0.00%	
17	Other local government financing	2.88%	2.88%	2.88%	
18	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	
19	Exposures included on a voluntary basis⁽²⁾	0.00%	0.00%	0.00%	
20	GAR - Total GAR assets	32.51%	10.53%	10.40%	

(1) In accordance with Article 7(8) of this Regulation.

(2) In accordance with Article 7(3) of this Regulation.

Note 1. Institutions shall disclose in this template the GAR KPIs on flow of new loans and advances, debt securities, equity instruments, and repossessed collateral during the financial year prior to the disclosure reference date calculated based on the data disclosed in template 1, on covered assets.

Note 2. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

	D	E	F	G	H	I	J	K	L	M
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									PROPORTION OF TAXONOMY ALIGNED IN TAXONOMY ELIGIBLE	NON ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING		
	0.10%	0.00%	0.03%	0.00%	0.00%	7.71%	1.55%	2.30%	32.40%	0.00%
	0.10%	0.00%	0.03%	0.00%	0.00%	7.71%	1.55%	2.30%	32.40%	0.00%
	0.10%	0.00%	0.02%	0.00%	0.00%	4.17%	1.23%	0.70%	21.46%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.11%	0.05%	1.78%	0.00%
	0.00%	0.00%	0.02%	0.00%	0.00%	4.17%	1.03%	0.16%	14.27%	0.00%
	0.10%	0.00%	0.00%	0.00%	0.00%		0.08%	0.49%	5.41%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.64%	0.01%	0.64%	2.01%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.64%	0.01%	0.64%	2.01%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.03%	0.00%	0.00%	0.08%	0.00%
	0.00%		0.00%			0.03%	0.00%	0.00%	0.08%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
						0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	2.88%	0.32%	0.96%	8.86%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	2.88%	0.32%	0.96%	8.86%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
	0.10%	0.00%	0.03%	0.00%	0.00%	7.71%	1.55%	2.30%	32.40%	0.00%

TEMPLATE 5. KPI OFF-BALANCE SHEET EXPOSURES - CAPEX STOCK

	DISCLOSURE REFERENCE DATE 31.12.2025	A	B	C	
				CLIMATE CHANGE MITIGATION (CCM)	
	% (COMPARED TO CORRESPONDING TOTAL OFF-BALANCE SHEET ASSETS)	TAXONOMY ELIGIBLE	TAXONOMY ALIGNED		
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	
2	Assets under management (AUM KPI)	46.54%	18.45%	17.99%	

TEMPLATE 5. KPI OFF-BALANCE SHEET EXPOSURES - TURNOVER STOCK

	DISCLOSURE REFERENCE DATE 31.12.2025	A	B	C	
				CLIMATE CHANGE MITIGATION (CCM)	
	% (COMPARED TO CORRESPONDING TOTAL OFF-BALANCE SHEET ASSETS)	TAXONOMY ELIGIBLE	TAXONOMY ALIGNED		
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	
2	Assets under management (AUM KPI)	45.20%	14.72%	14.25%	

TEMPLATE 5. KPI OFF-BALANCE SHEET EXPOSURES - CAPEX FLOW

	DISCLOSURE REFERENCE DATE 31.12.2025	A	B	C	
				CLIMATE CHANGE MITIGATION (CCM)	
	% (COMPARED TO CORRESPONDING TOTAL OFF-BALANCE SHEET ASSETS)	TAXONOMY ELIGIBLE	TAXONOMY ALIGNED		
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	
2	Assets under management (AUM KPI)	46.04%	17.11%	16.41%	

TEMPLATE 5. KPI OFF-BALANCE SHEET EXPOSURES - TURNOVER FLOW

	DISCLOSURE REFERENCE DATE 31.12.2025	A	B	C	
				CLIMATE CHANGE MITIGATION (CCM)	
	% (COMPARED TO CORRESPONDING TOTAL OFF-BALANCE SHEET ASSETS)	TAXONOMY ELIGIBLE	TAXONOMY ALIGNED		
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	
2	Assets under management (AUM KPI)	43.06%	12.77%	12.28%	

(1) In accordance with Article 7(8) of this Regulation.

Note 1. Institutions shall disclose in this template the KPIs for off-balance sheet exposures (financial guarantees and AUM) calculated based on the data disclosed in template 1, on covered assets.

Note 2. Institutions shall duplicate this template to disclose stock and flow KPIs for off-balance sheet exposures.

Note 3. Credit institutions shall duplicate this template for turnover-based and CapEx-based disclosures.

	D	E	F	G	H	I	J	K	J
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									NON-ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	0.15%	0.06%	0.20%	0.06%	0.00%	8.08%	1.87%	6.65%	0.00%

	D	E	F	G	H	I	J	K	J
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									NON-ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	0.10%	0.03%	0.30%	0.04%	0.00%	8.08%	1.60%	5.14%	0.00%

	D	E	F	G	H	I	J	K	J
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									NON-ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	0.15%	0.06%	0.43%	0.06%	0.00%	5.79%	1.53%	6.78%	0.00%

	D	E	F	G	H	I	J	K	J
BREAKDOWN PER ENVIRONMENTAL OBJECTIVE									NON-ASSESSED EXPOSURES ⁽¹⁾
	CLIMATE CHANGE ADAPTATION (CCA)	WATER AND MARINE RESOURCES (WTR)	CIRCULAR ECONOMY (CE)	POLLUTION (PPC)	BIODIVERSITY AND ECOSYSTEMS (BIO)	OF WHICH USE OF PROCEEDS	OF WHICH TRANSITIONAL	OF WHICH ENABLING	
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	0.09%	0.03%	0.33%	0.04%	0.00%	5.79%	1.27%	4.95%	0.00%

Annex 2 – Information on key intangible resources¹²⁹

In taking into account the provisions laid down by Italian regulations implementing Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting, Banca Generali formulates its considerations on key intangible resources and defines their elements focusing on the value of Banca Generali's brand, to which reference is made for relevant concepts and which is described in the introductory part to the Directors' Report on Operations, in Section "Brand Excellence and Centrality".

In addition, drawing inspiration from the guidelines set forth by the International Integrated Reporting Council (IIRC)¹³⁰ to improve corporate reporting, Banca Generali also considers as intangible resources relevant to value creation:

- › people's competencies, capabilities and experience, and their motivation to innovate;
- › the organisational capital (tacit knowledge, systems, procedures and protocols) and the value of knowledge (e.g., intellectual property);
- › the set of shared norms, common values and behaviours, stakeholder relationships, intangibles associated with the brand and reputation that an organisation has developed and an organisation's social licence to operate.

¹²⁹ This Annex forms integral part of the Directors' Report on Operations and is in line with Article 15 of Italian Legislative Decree No. 125 of 6 September 2024.

¹³⁰ The International Integrated Reporting Council (IIRC) has developed the IR Framework, intended to guide organisations in preparing reports that integrate financial and non-financial information.

Annex 3 – Own Workforce – Enhancement of Human Capital (Banca Generali S.p.A.)

EMPLOYED PERSONS BY TYPE OF CONTRACT AND GENDER: BANCA GENERALI S.P.A.

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Permanent contract	510	522	1,032	476	493	969
Fixed-term contract	15	19	34	28	18	46
Non-guaranteed hours	-	-	-	-	-	-
Total employees	525	541	1,066	504	511	1,015

EMPLOYED PERSONS BY TYPE OF EMPLOYMENT AND GENDER: BANCA GENERALI S.P.A.

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Full-time	484	539	1,023	466	510	976
Part-time	41	2	43	38	1	39
Total employees	525	541	1,066	504	511	1,015

EMPLOYED PERSONS WITH A ZERO-HOUR CONTRACT BY GENDER: BANCA GENERALI S.P.A.

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
External temporary contracts	3	1	4	-	3	3

EMPLOYED PERSONS BY PROFESSIONAL POSITION AND GENDER: BANCA GENERALI S.P.A.

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Managers	14	47	61	13	52	65
Middle managers	162	221	383	149	215	364
Employees	349	273	622	342	244	586
Total	525	541	1,066	504	511	1,015
Percentage	49%	51%	100%	50%	50%	100%

EMPLOYED PERSONS BY PROFESSIONAL POSITION AND AGE: BANCA GENERALI S.P.A.

	31.12.2025 (YE HC)				31.12.2024 (YE HC)			
	< 30 YEARS	30-50 YEARS	> 50 YEARS	TOTAL	< 30 YEARS	30-50 YEARS	> 50 YEARS	TOTAL
Managers	-	18	43	61	-	19	46	65
Middle managers	4	205	174	383	3	208	153	364
Employees	113	342	167	622	86	357	143	586
Total	117	565	384	1,066	89	584	342	1,015
Percentage	11%	53%	36%	100%	9%	57%	34%	100%

EMPLOYED PERSONS WITH DISABILITIES BY PROFESSIONAL POSITION AND GENDER: BANCA GENERALI S.P.A.

	31.12.2025 (YE HC)			31.12.2024 (YE HC)		
	F	M	TOTAL	F	M	TOTAL
Percentage	6%	4%	5%	5%	4%	5%

2025 TURNOVER: BANCA GENERALI S.P.A.

31.12.2025 (YE HC)	HEADCOUNT	NO. OF hirings	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	525	50	29	10%	6%
Male	541	61	31	11%	6%
Total	1,066	111	60	10%	6%

2024 TURNOVER: BANCA GENERALI S.P.A.

31.12.2024 (YE HC)	HEADCOUNT	NO. OF hirings	NO. OF TERMINATIONS	POSITIVE TURNOVER RATE	NEGATIVE TURNOVER RATE
Female	504	51	35	10%	7%
Male	511	53	39	10%	8%
Total	1,015	104	74	10%	7%

Training and Development of Human Capital: Banca Generali S.p.A.

AVERAGE TRAINING HOURS BY GENDER AND PROFESSIONAL POSITION: BANCA GENERALI S.P.A.

	31.12.2025	31.12.2024
Average training hours per employee	64	65
Average training hours per female employee	64	63
Average training hours per male employee	63	67
Average training hours per Manager	105	104
Average training hours per Middle managers	69	72
Average training hours per Employee	57	57

Industrial and Trade Union Relations: Banca Generali S.p.A.

In 2025, the rate of trade union membership¹³¹ was 35% for the parent company Banca Generali S.p.A.

Health and Safety in the Workplace: Banca Generali S.p.A.

A work-related accident occurred in 2025 that did not cause death, serious or permanent disability, or occupational diseases.

The rate of recordable work-related accidents was 0.62 (0.61 in 2024).

¹³¹ Employed persons registered with trade unions vs total employed persons.

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**CONSOLIDATED
FINANCIAL STATEMENTS
OF BANCA GENERALI**

AT 31.12.2025

Accounting Statements

CONSOLIDATED BALANCE SHEET

ASSETS

(€ THOUSAND)	31.12.2025	31.12.2024
10. Cash and deposits	410,536	1,056,109
20. Financial assets measured at fair value through profit or loss:	649,848	512,209
a) HFT financial assets	145,804	121
c) other financial assets mandatorily measured at fair value	504,044	512,088
30. Financial assets measured at fair value through other comprehensive income	3,545,783	1,521,864
40. Financial assets measured at amortised cost:	12,515,466	12,652,643
a) loans to banks	3,321,730	2,749,514
b) loans to customers	9,193,736	9,903,129
50. Hedging derivatives	153,464	131,221
70. Equity investments	620	2,962
90. Property and equipment	139,347	130,971
100. Intangible assets	225,207	153,964
of which:		
– goodwill	143,668	88,073
110. Tax assets:	186,645	122,889
a) current	99,700	38,227
b) prepaid	86,945	84,662
120. Non-current assets held for sale and disposal groups	1,508	227
130. Other assets	627,598	536,926
Total assets	18,456,022	16,821,985

LIABILITIES AND NET EQUITY

(€ THOUSAND)	31.12.2025	31.12.2024
10. Financial liabilities measured at amortised cost:	15,922,718	14,521,277
a) due to banks	310,290	356,431
b) due to customers	15,512,347	14,164,846
c) debt securities outstanding	100,081	-
20. HFT financial liabilities	105,006	108
40. Hedging derivatives	188,984	176,946
50. Adjustment to macro-hedged financial liabilities (+/-)	-4,532	2,141
60. Tax liabilities:	13,820	18,267
a) current	214	5,836
b) deferred	13,606	12,431
80. Other liabilities	309,495	298,944
90. Employee termination indemnities	2,939	3,402
100. Provisions for liabilities and contingencies:	336,236	340,977
a) commitments and guarantees issued	26,192	11,796
b) pensions and similar obligations	3,278	3,145
c) other provisions for liabilities and contingencies	306,766	326,036
120. Valuation reserves	1,884	8,372
140. Equity instruments	105,000	100,000
150. Reserves	944,990	838,350
160. Share premium reserve	52,457	52,392
170. Share capital	116,852	116,852
180. Treasury shares (-)	-96,168	-87,268
190. Net equity attributable to minority interests (+/-)	10,496	-
200. Net profit (loss) for the year (+/-)	445,845	431,225
Total liabilities and net equity	18,456,022	16,821,985

CONSOLIDATED PROFIT AND LOSS ACCOUNT

ITEMS

(€ THOUSAND)	2025	2024
10. Interest income and similar revenues	450,819	482,910
20. Interest expense and similar charges	-123,635	-165,804
30. Net interest income	327,184	317,106
40. Fee income	1,245,712	1,207,559
50. Fee expense	-581,646	-549,354
60. Net fees	664,066	658,205
70. Dividends and similar income	5,139	1,309
80. Net income (loss) from trading activities	20,757	8,150
90. Net income (loss) from hedging	-52	-192
100. Gain (loss) on disposal or repurchase of:	10,474	9,810
a) financial assets measured at amortised cost	7,949	8,964
b) financial assets measured at fair value through other comprehensive income	2,525	846
110. Net income (loss) from financial assets and liabilities measured at fair value through profit and loss:	-5,786	2,459
b) other financial assets mandatorily measured at fair value	-5,786	2,459
120. Net banking income	1,021,782	996,847
130. Net adjustments/reversals for credit risk relating to:	-19,441	1,837
a) financial assets measured at amortised cost	-19,208	2,030
b) financial assets measured at fair value through other comprehensive income	-233	-193
150. Net income (loss) from trading activities	1,002,341	998,684
190. General and administrative expenses:	-456,246	-398,432
a) staff expenses	-164,507	-134,997
b) other general and administrative expenses	-291,739	-263,435
200. Net provisions for liabilities and contingencies:	-99,055	-121,545
a) commitments and guarantees issued	-43,283	-11,605
b) other net provisions	-55,772	-109,940
210. Net adjustments/reversals of property and equipment	-25,504	-24,076
220. Net adjustments/reversals of intangible assets	-23,189	-18,067
230. Other operating expenses/income	140,040	133,967
240. Operating expenses	-463,954	-428,153
250. Gains (losses) from equity investments	-2,413	-759
280. Gains (losses) on disposal of equity investments	-9	1
290. Net profit before income taxes	535,965	569,773
300. Income taxes for the year on operating activities	-89,254	-138,548
310. Net profit after income taxes	446,711	431,225
330. Net profit for the year	446,711	431,225
340. Net profit (loss) for the year attributable to minority interests	866	-
350. Net profit (loss) for the year attributable to the Parent Company	445,845	431,225

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ITEMS

(€ THOUSAND)

2025

2024

10. Net profit for the year	446,711	431,225
Other income net of income taxes, without transfer to Profit and Loss Account		
20. Equity securities designated at fair value through other comprehensive income	-3,153	-103
70. Defined benefit plans	1,336	-776
Other income net of income taxes, with transfer to Profit and Loss Account		
120. Exchange differences	752	-526
130. Cash flow hedges	-2,424	4,703
150. Financial assets (other than equity securities) measured at fair value through other comprehensive income	-2,999	5,658
200. Total other income net of income taxes	-6,487	8,956
210. Comprehensive income	440,224	440,181
220. Consolidated comprehensive income attributable to minority interests	866	-213
230. Consolidated comprehensive income attributable to the Parent Company	439,358	440,394

CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY

ITEMS

(€ THOUSAND)	SHARE CAPITAL		SHARE PREMIUM RESERVE	RESERVES		VALUATION RESERVES	EQUITY INSTRUMENTS	INTERIM DIVIDENDS	TREASURY SHARES	NET PROFIT (LOSS) FOR THE YEAR	NET EQUITY	GROUP NET EQUITY	NET EQUITY ATTRIBUTABLE TO MINORITY INTERESTS
	A) ORDINARY SHARES	B) OTHER		A) RETAINED EARNINGS	B) OTHER								
Net equity at 31.12.2024	116,852	-	52,392	791,674	46,676	8,372	100,000	-	-87,268	431,225	1,459,923	1,459,923	-
Change in opening balances	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount at 01.01.2025	116,852	-	52,392	791,674	46,676	8,372	100,000	-	-87,268	431,225	1,459,923	1,459,923	-
Allocation of net profit for the previous year:	-	-	-	98,142	-	-	-	-	-	-431,225	-333,083	-332,297	-786
- Reserves	-	-	-	103,324	-	-	-	-	-	-103,324	-	-	-
- Dividends and other allocations	-	-	-	-5,182	-	-	-	-	-	-327,901	-333,083	-332,297	-786
Change in reserves	5,951	-	1,296	3,072	-7,028	-1	5,000	-	-449	-	7,841	-2,527	10,368
Transactions on net equity:	-	-	65	7,196	7,651	-	-	-	-8,461	-	6,451	6,403	48
- Issue of new shares	-	-	65	-	-10,243	-	-	-	11,674	-	1,496	1,448	48
- Purchase of treasury shares	-	-	-	-	-	-	-	-	-20,135	-	-20,135	-20,135	-
- Interim dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
- Extraordinary dividends	-	-	-	7,196	-	-	-	-	-	-	7,196	7,196	-
- Change in equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
- Derivatives on treasury shares	-	-	-	-	-35	-	-	-	-	-	-35	-35	-
- Stock options	-	-	-	-	17,929	-	-	-	-	-	17,929	17,929	-
- Change in ownership interests	-	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	-	-6,487	-	-	-	446,711	440,224	439,358	866
Net equity at 31.12.2025	122,803	-	53,753	900,084	47,299	1,884	105,000	-	-96,178	446,711	1,581,356	1,570,860	10,496
Group net equity	116,852	-	52,457	897,691	47,299	1,884	105,000	-	-96,168	445,845	1,570,860		
Net equity attributable to minority interests	5,951	-	1,296	2,393	-	-	-	-	-10	866	10,496		

(€ THOUSAND)	SHARE CAPITAL		SHARE PREMIUM RESERVE	RESERVES		VALUATION RESERVES	EQUITY INSTRUMENTS	INTERIM DIVIDENDS	TREASURY SHARES	NET PROFIT (LOSS) FOR THE YEAR	NET EQUITY	GROUP NET EQUITY	NET EQUITY ATTRIBUTABLE TO MINORITY INTERESTS
	A) ORDINARY SHARES	B) OTHER		A) RETAINED EARNINGS	B) OTHER								
Net equity at 31.12.2023	117,127	-	52,992	714,393	38,264	-584	50,000	-	-85,005	326,078	1,213,265	1,212,927	338
Change in opening balances	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount at 01.01.2024	117,127	-	52,992	714,393	38,264	-584	50,000	-	-85,005	326,078	1,213,265	1,212,927	338
Allocation of net profit for the previous year:	-	-	-	71,260	-	-	-	-	-	-326,078	-254,818	-254,818	-
- Reserves	-	-	-	74,847	-	-	-	-	-	-74,847	-	-	-
- Dividends and other allocations	-	-	-	-3,587	-	-	-	-	-	-251,231	-254,818	-254,818	-
Change in reserves	-	-	-	-	-196	-	-	-	-1	-	-197	-197	-
Transactions on net equity:	-275	-	-600	6,021	8,608	-	50,000	-	-2,262	-	61,492	61,617	-125
- Issue of new shares	-	-	-600	-	-7,076	-	-	-	7,677	-	1	1	-
- Purchase of treasury shares	-	-	-	-	-	-	-	-	-9,939	-	-9,939	-9,939	-
- Interim dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
- Extraordinary dividends	-	-	-	6,021	-	-	-	-	-	-	6,021	6,021	-
- Change in equity instruments	-	-	-	-	-	-	50,000	-	-	-	50,000	50,000	-
- Derivatives on treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-
- Stock options	-	-	-	-	16,823	-	-	-	-	-	16,823	16,823	-
- Change in ownership interests	-275	-	-	-	-1,139	-	-	-	-	-	-1,414	-1,289	-125
Comprehensive income	-	-	-	-	-	8,956	-	-	-	431,225	440,181	440,394	-213
Net equity at 31.12.2024	116,852	-	52,392	791,674	46,676	8,372	100,000	-	-87,268	431,225	1,459,923	1,459,923	-
Group net equity	116,852	-	52,392	791,674	46,676	8,372	100,000	-	-87,268	431,225	1,459,923		
Net equity attributable to minority interests	-	-	-	-	-	-	-	-	-	-	-		

CONSOLIDATED CASH FLOW STATEMENT

INDIRECT METHOD

(€ THOUSAND)

2025

2024

A. OPERATING ACTIVITIES		
1. Operations	314,908	427,946
Net profit (loss) for the year	446,711	431,225
Gain/loss on HFT financial assets and other assets and liabilities measured at fair value through profit or loss	7,830	-3,370
Gain/loss on hedging assets	3,459	-6,929
Net adjustments/reversals for credit risk	19,441	-1,837
Net adjustments/reversals of property, equipment and intangible assets	48,693	42,143
Net provisions for liabilities and contingencies and other costs/revenues	-7,739	74,893
Taxes, duties and tax credits not paid	-68,862	-45,598
Adjustments to/Reversals of assets held for sale	2,433	-
Other adjustments	-137,058	-62,581
2. Liquidity generated by/used for financial assets (+/-)	-1,937,152	-687,515
HFT financial assets	-71,757	156
Other financial assets mandatorily measured at fair value	-633	412
Financial assets measured at fair value through other comprehensive income	-2,027,259	-498,942
Financial assets measured at amortised cost:	181,368	-212,340
Loans to banks	-548,744	-473,179
Loans to customers	730,112	260,839
Other assets	-18,870	23,198
3. Liquidity generated by/used for financial liabilities (+/-)	1,411,246	937,676
Financial liabilities measured at amortised cost:	1,308,702	967,007
Due to banks	-113,731	119,055
Due to customers	1,322,433	847,952
Debt securities outstanding	100,000	-
HFT financial liabilities	91,657	-51
Other liabilities	10,887	-29,280
Net liquidity generated by/used for operating activities	-210,998	678,106

(€ THOUSAND)

2025

2024

B. INVESTING ACTIVITIES		
1. Liquidity generated by	-	72
Disposal of equity investments	-	72
2. Liquidity used for	-94,015	-27,802
Purchase of equity investments	-1,600	-2,045
Purchase of property and equipment	-1,763	-2,930
Purchase of intangible assets	-24,990	-21,410
Purchase of subsidiaries and business units	-65,662	-1,417
Net liquidity generated by/used for investing activities	-94,015	-27,730
C. FUNDING ACTIVITIES		
Issue/purchase of treasury shares	-18,674	-9,939
Issue/purchase of equity instruments	-	50,000
Distribution of dividends and other	-321,886	-253,302
Net liquidity generated by/used for funding activities	-340,560	-213,241
NET LIQUIDITY GENERATED/USED IN THE YEAR	-645,573	437,136
Reconciliation		
Cash and cash equivalents at year-start	1,056,109	618,973
Total liquidity generated/used in the period	-645,573	437,136
Cash and cash equivalents – effects of exchange rate fluctuations	-	-
Cash and cash equivalents at year-end	410,536	1,056,109

Legend:

(+) Liquidity generated

(-) Liquidity used

Notes and Comments

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PART A – ACCOUNTING POLICIES

Part A.1 – General

Section 1 – Declaration of Compliance with International Accounting Standards

These Consolidated Financial Statements have been drawn up in compliance with Italian Legislative Decree No. 38 of 28 February 2005, based on the International Accounting Standards issued by the International Accounting Standards Board (IASB) and interpretation of the International Financial Reporting Interpretations Committee (IFRIC), and endorsed by the European Commission with Regulation No. 1606 of 19 July 2002.

In preparing the Consolidated Financial Statements, Banca Generali adopted the IAS/IFRS in force at the reference date of the report (including SIC and IFRIC interpretations), as endorsed by the European Union.

It should be noted that, following the completion of the endorsement procedure, as of 1 January 2025, several amendments to the IAS/IFRS and IFRIC were adopted and new IFRIC were issued.

INTERNATIONAL ACCOUNTING STANDARDS ENDORSED IN PREVIOUS YEARS AND EFFECTIVE AS OF 2025

	ENDORSEMENT REGULATIONS	PUBLICATION DATE	EFFECTIVE DATE
Amendments to IAS 21 – <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i> (issued on 15 August 2023)	2024/2862	13.11.2024	01.01.2025

INTERNATIONAL ACCOUNTING STANDARDS ENDORSED IN 2025 AND EFFECTIVE AS OF 2025

	ENDORSEMENT REGULATIONS	PUBLICATION DATE	EFFECTIVE DATE
-	-	-	-

INTERNATIONAL ACCOUNTING STANDARDS ENDORSED BUT NOT EFFECTIVE YET

	ENDORSEMENT REGULATIONS	PUBLICATION DATE	EFFECTIVE DATE
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024)	2025/1047	28.05.2025	01.01.2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024)	2025/1266	01.07.2025	01.01.2026
Annual Improvements – Volume 11 – IAS 7, IFRS 1, IFRS 7, IFRS 9, IFRS 10 (issued on 18 July 2024)	2025/1331	09.07.2025	01.01.2026

The date of entry into force of some of the already endorsed standards has been postponed until subsequent years. The early application option has not been exercised for those standards.

The standards and interpretations that entered into force in 2025 did not have a significant impact on the Group's balance sheet and profit and loss account.

Section 2 – Preparation Criteria

The Consolidated Financial Statements consist of the following documents:

- › Balance Sheet;
- › Profit and Loss Account;
- › Statement of Other Comprehensive Income;
- › Statement of Changes in Net equity;
- › Cash Flow Statement;
- › Notes and Comments.

The accounts are accompanied by a Directors' report on the Banking Group's operations, financial situation, profit and loss and balance sheet results.

In compliance with the requirements of Article 5 of Italian Legislative Decree No. 38/2005, the Consolidated Financial Statements were prepared in euros. All amounts in the Financial Statements and the figures in the Notes and Comments are denominated in thousands of euros. Unless otherwise specified, the figures reported in the Directors' Report on Operations are denominated in thousands of euros.

The Financial Statements and Notes and Comments include figures for the period under review, as well as comparative data at 31 December 2024.

The Financial Statements are prepared by applying the general standards set out in IAS 1 and the specific accounting standards approved by the European Commission, as illustrated in Part A.2 of these Notes and Comments.

International accounting standards have been applied in compliance with the Framework for the Preparation and Presentation of Financial Statements drafted by the IASB.

There were no derogations of the application of IAS/IFRS.

The Directors' Report on Operations and the Notes and Comments include the information required by international accounting standards, the law, the Bank of Italy and the Italian National Commission for Listed Companies and the Stock Exchange (Consob), as well as other non-compulsory information that was deemed necessary to provide an accurate and fair picture of the Bank's situation.

The measurement criteria have been adopted on a going-concern basis and are shaped by the principles of accrual-basis accounting and the relevance and meaningfulness of accounting disclosures. Economic substance takes precedence over legal form.

In further detail, the Directors are reasonably certain that the Bank will continue to operate in its current form for the foreseeable future (for at least 12 months) and have prepared the Financial Statements on a going-concern basis. Any uncertainty detected has not been deemed material and does not cast doubt on the Group's ability to operate as a going concern.

Content of the Financial Statements and the Notes and Comments

The Consolidated Financial Statements at 31 December 2025 were prepared based on the "Instructions for Preparing the Financial Statements and Consolidated Financial Statements of Banks and Parent Holding Companies of Banking Groups," which were issued by the Bank of Italy with order dated 22 December 2005 in the exercise of the powers established in Article 43 of Italian Legislative Decree No. 36/2015. Such instructions were issued in Circular No. 262/05, as further updated.

These Instructions set forth binding rules governing the presentation and preparation of financial statements and the minimum content of the Notes and Comments.

In detail, the 8th update to Circular No. 262/2005 was published on 17 November 2022. It governs the effects of the entry into force of IFRS 17 for banking conglomerates with equity interests in insurance companies, effective from financial statements closed on 31 December 2023.

Accounts that do not include items pertaining to the year under review or the previous year are not stated in the Balance Sheet and Profit And Loss Account. Likewise, sections or tables that include no values are not included in the Notes and Comments.

The Statement of Comprehensive Income begins with the net profit (loss) for the year and then presents components of profit and loss recognised through valuation reserves, net of the related tax effect, in accordance with international accounting standards. Consolidated comprehensive income is presented by providing a separate account of components of profit and loss that will not be reversed to the profit and loss account in the future, and components that may subsequently be reclassified to net profit (loss) for the year under certain conditions.

As for the balance sheet and profit and loss account, items with nil amounts in both the reporting year and previous year are not presented.

The Statement of Changes in Consolidated Net Equity is presented by inverting the rows and columns with respect to the presentation requested by Bank of Italy Circular No. 262/2005.

The statement presents the composition of and changes in net equity accounts during the reporting year and the previous year, broken down into share capital, capital reserves, earnings reserves, asset and liability valuation reserves, and net profit. Treasury shares are recorded as a reduction to net equity.

The Cash Flow Statement was prepared using the indirect method, according to which cash flows from operating activities are derived by adjusting net profit for the effects of non-cash transactions.

Cash flows are broken down into:

- › cash flows from operating activities, including cash flows from operations and cash flows from increases and decreases in financial assets and liabilities;
- › cash flows generated by (used for) investing activities involving fixed assets;
- › cash flows generated by (used for) funding activities linked to the acquisition of own funds and their remuneration.

Specifically, sections 2 and 3 include only cash generated by (used for) the decrease (increase) in financial assets or the increase (decrease) in financial liabilities resulting from new transactions or reimbursements related to existing transactions.

Accordingly, these sections do not include items such as changes in value (value adjustments/reversal), amortisation and depreciation, the net balance of unpaid taxes (current and deferred), interest and unpaid or uncollected fees; these items have been disclosed separately and classified under operating activities.

Moreover, these cash flows also do not include changes in operating assets and liabilities, but include those relating to financing activities, such as changes in operating loans and amounts payable to Financial Advisors and employees and any related advance payments.

Annual Financial Report

The Consolidated Financial Statements are published in accordance with Article 154-ter of Italian Legislative Decree No. 58/1998. The statute requires that, within four months of the end of the year, listed issuers incorporated in Italy make an **Annual Financial Report** including the following items available to the public at their registered offices, on their websites and in the other ways specified by Consob in a regulation:

- › the Consolidated Financial Statements;
- › the Annual Financial Statements of the Company;
- › the Report on Operations; and
- › the Attestation as per Article 154-bis, paragraph 5.

The Independent Auditors' Report and the Board of Statutory Auditors' Report pursuant to Article 153 of the Consolidated Law on Finance (TUF) are published in their entirety with the Annual Financial Report.

In addition, no fewer than 21 days must lapse between the date of publication of the Annual Financial Report and the date of the General Shareholders' Meeting.

According to the provisions of Article 41, paragraph 5, of Italian Legislative Decree No. 136/2015 of 18 August 2015, implementing Directive No. 2013/34/EU, the Consolidated Report on Operations and the Separate Report on Operations of the company may be presented as a single document, in which additional attention is dedicated to issues relevant to the entirety of the companies within the scope of consolidation, as appropriate.

Banca Generali elected to exercise this option by presenting a single document. Consequently, the Consolidated Report on Operations also includes the information required for the Separate Report on Operations.

Non-Financial Statement

For the purposes of integrated reporting of financial and non-financial information, Banca Generali prepares an **Annual Integrated Report** that integrates its **Directors' Report on Operations** with the non-financial information pursuant to Italian Legislative Decree No. 125¹ of 6 September 2024, effective in Italy as of 25 September; enacting Directive 2022/2464 (CSRD – Corporate Sustainability Reporting Directive) published in the *Official Journal* of the European Union on 16 December 2022 and effective 5 January 2023.

The CSRD requires European undertakings to disclose detailed information on their environmental, social and governance (ESG) impacts and information necessary to understand how sustainability matters affect their business, with the objective of facilitating the various stakeholders' understanding of ESG impacts.

As a less significant bank, Banca Generali has an obligation to publish the Sustainability Statement.

The Sustainability Statement — included in the Directors' Report on Operations as a specific section thereof — must contain information in compliance with the provisions of European Sustainability Reporting Standards – ESRS (see Commission Delegated Regulation (EU) 2023/2772).

¹ This Decree repealed the pre-existing Italian Legislative Decree 254/2016 implementing Directive 2014/95/EU (NFRD – Non Financial Reporting Directive).

Section 3 – Consolidation Scope and Methods

3.1 Scope of Consolidation

The companies consolidated by the Group in accordance with IFRS 10 include the Parent Company, Banca Generali S.p.A., and the following subsidiaries:

COMPANY NAME	REGISTERED OFFICE	OPERATING OFFICE	TYPE OF CONTROL	SHAREHOLDING RELATIONSHIP		% OF VOTE IN ORDINARY SHARE-HOLDER'S MEETING
				OWNERSHIP	% OF INTEREST	
Banca Generali S.p.A.	Trieste	Trieste, Milan		Parent company		
BG Fund Management Luxembourg S.A.	Luxembourg	Luxembourg	1	Banca Generali	100.00%	100.00%
Generfid S.p.A.	Milan	Milan	1	Banca Generali	100.00%	100.00%
BG (Suisse) Private Bank S.A.	Lugano	Lugano	1	Banca Generali	100.00%	100.00%
BG Aequitum S.A.	Lugano	Lugano	1	BG (Suisse) Private Bank	100.00%	100.00%
Intermonte Partners Sim S.p.A.	Milan	Milan	1	Banca Generali	100.00%	100.00%
Intermonte Sim S.p.A.	Milan	Milan	1	Intermonte Partners SIM S.p.A.	87.05%	87.05%

Legend: type of control:

(1) Control pursuant to Article 2359, paragraph 1(1), of the Italian Civil Code (majority of voting rights at General Shareholders' Meetings).

The consolidation scope changed compared to the previous year as a result of the acquisition of a 100% interest in **Intermonte Partners S.p.A.**, the parent company of the group of securities brokerage firms (SIM) of the same name, following a voluntary tender offer finalised on 31 January 2025.

As a result of the transaction, Banca Generali also acquired indirectly the subsidiary **Intermonte SIM S.p.A.**, the latter with a non-controlling interest of 12.95%.

It should also be noted that on 31 October 2025, BG (Suisse) Private Bank S.A. finalised the acquisition of a 100% interest in the Lugano-based Swiss company Aequitum Holding S.A. and, through the latter, in the fully owned Aequitum S.A., an Alternative Investment Fund Manager (AIFM) specialised in asset management. Subsequently, following receipt of the competent Supervisory Authorities' authorisation, the two companies were merged into BG Valeur, which then changed its company name into BG Aequitum S.A.

The merger was finalised on 23 December 2025, with retroactive effects for accounting and tax purposes as of 1 November 2025.

Both transactions fall within the scope of application of IFRS 3 and were accounted for using the purchase method. In this regard, reference should be made to Part G of these Notes and Comments.

The consolidated accounts include the separate accounts of the Parent Company and its subsidiaries at 31 December 2025, properly reclassified and adjusted to take account of the consolidation requirements. The most significant intra-Group transactions, influencing both the balance sheet and profit and loss account, were eliminated. Unreconciled amounts were recognised in other assets/liabilities and other revenues/expenses, respectively.

3.2 Significant judgements and assumptions used in determining the scope of consolidation

3.2.1 Subsidiaries

Entities, including structured entities, over which the Group has a direct or indirect control, are subsidiaries.

Control over an entity exists when the Group has the power to influence the variable returns to which the Group is exposed from its involvement with the investee.

To determine that control exists, the Group considers the following factors:

- › the investee's purpose and design, to identify the entity's purpose, the activities that determine its returns and how decisions about such activities are made;
- › power, to understand whether the Group has contractual rights that give the Group the ability to direct the relevant activities; for this purpose, only substantive rights entailing practical ability to direct the investee are considered;
- › exposure in the investee, to establish whether the Group has relations with the investee whose returns can vary based on changes in the investee's performance;
- › existence of possible principal/agent relationships.

Where relevant activities are directed through voting rights, the following factors are evidence of control:

- › ownership, direct or indirect through subsidiaries, of more than half of the voting rights of an entity unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control;
- › ownership of half or less of the votes that can be exercised in the General Shareholders' Meeting and the effective power to unilaterally govern significant activities through:
 - control over more than half of the voting rights by virtue of an agreement with other investors;
 - the power to govern the financial and operating policies of the entity under a statute or an agreement;
 - the power to appoint or remove the majority of the members of the board of directors or equivalent governing body, and the entity is managed by that board or body;
 - the power to cast the majority of votes at meetings of the board of directors or equivalent governing body, and the entity is controlled by that board or body.

The existence and effect of potential voting rights, if substantive, are taken into consideration when assessing whether a party has the power to direct the financial and management policies of another entity.

Subsidiaries may also include “structured entities” in which voting rights are not significant in assessing the existence of control, including special purpose entities (SPEs) and investment funds.

Structured entities are considered as subsidiaries when:

- › the Group has power arising from contractual rights to direct relevant activities;
- › the Group is exposed to variable returns arising from such activities.

For further details on the assessments conducted in respect of the investment in the Forward Fund, a closed-ended, reserved alternative investment fund (AIF), subscribed in 2021 within the framework of a transaction to restructure a portfolio of senior notes arising from the securitisation of health receivables, in which Banca Generali holds an interest equal to 98% of assets, reference should be made to the information provided in “Part E – Information on Risks and Risk Hedging Policies”, Section 2 “Prudential consolidation risks”, Subsection D “Transfers”, paragraph C “Prudential consolidation - transferred financial assets fully derecognised”, contained in the Annual Integrated Report at 31 December 2021.

3.2.2 Associate Companies

An associate company is one over which the investor has significant influence and that is neither a subsidiary nor a joint venture.

Significant influence is assumed when the investor:

- › holds, directly or indirectly, 20% or more of the share capital in the investee, or
- › has significant influence over the investee, also by way of shareholders' agreements, through:
 - a) representation on the governing body of the investee;
 - b) participation in policy making processes, including with regard to decisions on dividends and other distributions;
 - c) material transactions;
 - d) interchange of management personnel;
 - e) provision of essential technical information.

Equity investments in associates are valued using the equity method.

At 31 December 2025, the Banking Group's scope of consolidation included only the equity investment in Agorai Innovation Hub S.p.A., aimed at developing an applied and basic research hub and training centre on data science and advanced artificial intelligence, based in Trieste.

It was incorporated on 11 April 2025 by several Generali Group companies, including Banca Generali, initially holding a 20.1% interest.

On 27 November 2025, a reserved capital increase was approved and was subscribed by new institutional shareholders, which reduced the Group's equity investment to 49% and that of Banca Generali to just above 7.5%.

At 31 December 2025, the investment was however recognised among equity investments, in light of the significant influence that Generali Group continued to exercise by virtue of its stake and the representatives it has in the company's corporate bodies.

It should be noted that, under the shareholders' agreement, the current shareholders, including Banca Generali, undertook to finance the company through a five-year grant for the 2025-2029 period.

3.2.3 Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Under IFRS 11, joint arrangements are classified as either a joint operation or a joint venture based on the Group's contractual rights or obligations:

- › a joint operation is a joint arrangement whereby the parties have rights to the assets and obligations for the liabilities relating to the arrangement;
- › a joint venture is a joint arrangement whereby the parties have rights to the net assets of the arrangement.

At 31 December 2025, the joint venture between Banca Generali and the Danish Saxo Bank A/S was still in place. This joint venture holds the equity investment in BG Saxo SIM S.p.A., in which Banca Generali currently holds a 49% stake and Saxo Bank a 51% stake.

In this regard, it should be noted that, following an extraordinary transaction that had led to a change of control of Saxo Bank, the shareholders of the joint venture agreed upon its early termination.

In detail, on 17 April 2025 Banca Generali's Board of Directors authorised the exercise of the put option envisaged by the partnership agreement with Saxo Bank, in order to proceed with the disposal of the equity investment.

Subsequently, the parties started negotiations to settle their respective mutual outstanding obligations and determined the consideration for the disposal of the equity investment.

The distribution agreement between Banca Generali and BG Saxo SIM S.p.A. will remain in place also after termination of the partnership, whereas Saxo will lose the right to use the BG Logo.

The sale & purchase agreement was reached in December 2025 and is expected to be signed in February 2026, whereas the disposal will be finalised upon receipt of the authorisations from the Supervisory Authorities.

Accordingly, the equity investment in BG Saxo SIM S.p.A. was reclassified among non-current assets held for sale recognising an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

3.3 Significant non-controlling interests in subsidiaries

At 31 December 2025, all the Group's equity investments were in wholly owned subsidiaries, with the exception of Intermonte SIM S.p.A., in which the previous shareholders retained a non-controlling interest of 12.95%, referring for 11.6% to Generali Italia S.p.A. and for 1.34% to CCREA Banca S.p.A.

It should be noted that on 15 January 2026, Banca Generali purchased the aforementioned non-controlling interest, thus achieving — through Intermonte Partners SIM S.p.A. — full direct and indirect control of the company.

Accordingly, there are no significant non-controlling interests in subsidiaries.

3.4 Significant restrictions

At 31 December 2025, there were no significant restrictions of a legal, contractual, or statutory nature on the Parent Company's ability to access the Group's assets or to use them to discharge the Group's liabilities.

3.5 Other information

None of the financial statements of the subsidiaries used in preparing the Consolidated Financial Statements has a different reporting date than the Consolidated Financial Statements.

Consolidation methods

Full consolidation method

Subsidiaries are included in the accounts using the full consolidation method, whereby the balance sheet and profit and loss items are consolidated on a line-by-line basis.

After the attribution to minority interests of any portion of net equity and profit and loss results, the value of the equity investment is cancelled due to the residual value of the subsidiary's net equity.

The resulting differences are allocated to the assets or liabilities — including intangible assets — of the subsidiary in question and any remaining balances, if positive, are recorded as goodwill under Intangible Assets. Any negative differences are charged to the profit and loss account.

The most significant intra-Group transactions, influencing both the balance sheet and profit and loss account, were eliminated. Unreconciled amounts were recognised in other assets/liabilities and other revenues/expenses, respectively.

Dividends distributed by subsidiaries were eliminated from the consolidated profit and loss account and a corresponding adjustment was made to earnings reserves.

Equity method

Associate companies are consolidated according to the concise equity method.

Under the equity method, an equity investment is initially recognised at acquisition cost, inclusive of goodwill, and subsequently adjusted according to the investor's share in the investee's net equity.

Upon acquisition, the difference between the cost of the equity investment and the share of the net fair value of the investee's identifiable assets and liabilities must be determined and recognised as goodwill, if positive, or as income, if negative.

The carrying amount is then increased or decreased to recognise the investor's share of the gains or losses of the investee recorded after the acquisition date under Item 250. – “Gains (losses) from equity investments” of the profit and loss account.

That share is adjusted to reflect:

- › gains and losses on transactions with the associate company, in proportion to the percent interest in the associate company;
- › depreciation and amortisation of depreciable assets at their respective fair values at the acquisition date and impairment losses on goodwill and any other non-monetary elements.

Dividends received from an investee reduce the carrying amount of the equity investment.

Changes in the valuation reserves of associate companies are presented separately in the statement of comprehensive income. If the associate company prepares its financial statements in a foreign currency, the translation differences at the reporting date are recognised in a specific valuation reserve for monetary conversion in other comprehensive income.

When there is indication of a possible loss in value of an equity investment, the recoverable amount of the investment is estimated based on the present value of future cash flows that the company could generate, including the final disposal value of the equity investment. If the recoverable amount is less than the carrying amount, the difference is recognised in profit or loss.

Translation of financial statements denominated in currencies other than the euro

The financial statements of companies operating in areas other than the Euro Area are translated into euro by applying the current exchange rates at period-end to assets and liabilities and average exchange rates for the year to items of profit and loss. The foreign exchange differences of the financial statements of such companies on the application of different exchange rates to assets and liabilities and profit and loss are recognised among Valuation reserves in net equity. Foreign exchange differences on investees' net equity are also recognised among Valuation reserves.

Section 4 – Events Occurred After the Balance Sheet Date

The draft Consolidated Financial Statements of Banca Generali were approved by the Board of Directors on 4 March 2026, when the Board also authorised its disclosure pursuant to IAS 10.

No events occurred after 31 December 2025 and until 4 March 2026 that would make it necessary to adjust the results presented in the Consolidated Financial Statements at that date.

However, the following non-adjusting events occurred:

- › on 15 January 2026, Banca Generali purchased the residual non-controlling interest still held by the previous shareholders of Intermonte Partners SIM S.p.A., thus achieving full control of the latter;
- › on 23 February 2026, the merger of the subsidiary Intermonte Partners SIM S.p.A. into Banca Generali became effective.

Section 5 – Other Aspects

Accounting standards that have been endorsed and will enter into effect this year

No new international accounting standards, amendments to existing standards or related interpretations with a material impact on the Banking Group's operations entered into effect in financial year 2025.

Accounting standards endorsed that will enter into effect after 31 December 2025

There are no international accounting standards and related interpretations endorsed but not effective yet as of 31 December 2025 that could have a material impact on the Banking Group's operations.

Use of estimates and assumptions in the preparation of the Consolidated Financial Statements

The preparation of the Consolidated Financial Statements requires the use of estimates and assumptions that could influence the amounts reported in the consolidated balance sheet and profit and loss account and the disclosure of contingent assets and liabilities therein.

The estimates and related assumptions used are based on the information available on operations and subjective judgements, which may be based on historical trends.

Given their nature, the estimates and assumptions used may vary from year to year, meaning that reported amounts may differ materially due to changes in the subjective judgements used.

The main areas for which management is required to use subjective judgements include:

- › determining the amount of provisions for liabilities and contingencies;
- › determining the expenses of personnel productivity bonuses;
- › determining the amount of incentive fees to be paid to the Financial Advisor Network as an annual incentive and of incentives related to recruitment plans;
- › determining the deferred incentives granted to the Financial Advisor Network, when linked to defined net inflow targets;
- › determining the fair value of cash financial instruments and derivatives to be used in financial statement, when not based on current prices drawn from active markets;
- › determining the analytical and collective impairment of financial instruments;
- › determining the value adjustments and reversals of non-performing loans and the collective provision for performing loans;
- › preparing estimates and assumptions underlying the determination of current taxes, which may differ from the effective tax liability computed in conjunction with the payment of the balance of taxes for the year and the filing of the income tax return;
- › preparing estimates and assumptions on the recoverability of deferred tax assets;
- › evaluating the appropriateness of the amounts of goodwill and other intangible assets;
- › classifying and evaluating the Forward fund;
- › evaluation of financial guarantees issued in favour of several investments made by customers in illiquid assets distributed by the Bank that were marked by investment repayment issues and the associated receivables recognised following their enforcement.

Additional information regarding the estimation procedures used for specific cases is provided in Part A, Section 2, of the Notes and Comments on the Accounting Policies adopted by Banca Generali Group.

Measurement of goodwill

During the preparation of the 2025 Financial Statements, goodwill was tested for impairment and the carrying value was determined to be accurate.

Non-recurring significant events and transactions

In the year, the following non-recurring transactions or events outside the ordinary course of business occurred, generating a significant impact on the balance sheet and profit and loss account items:

- › on 31 January 2025, Intermonte SIM Group was acquired, following the successful Tender Offer launched by Banca Generali;
- › on 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, the Board of Directors authorised the exercise of the put option envisaged by the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026;
- › on 25 September 2025, Banca Generali's Board of Directors approved the plan for merging Intermonte Partners S.p.A. After receiving the Bank of Italy's authorisation, the merger plan was filed with the relevant Registries of Companies on 18 December 2025. The transaction was finalised in February 2026;
- › on 31 October 2025, BG (Suisse) Private Bank S.A. acquired the Swiss Aequitum Group, registered as an Alternative Investment Fund Manager (AIFM) in Switzerland; in this regard, it should be recalled that in March 2025 BG Suisse's share capital had been increased by approximately CHF 15.7 million with a view to expanding its business through the acquisition of companies specialising in asset management;
- › on 23 December 2025, Aequitum Holding S.A. and Aequitum S.A. were merged into BG Valeur, which concurrently changed its company name into "BG Aequitum S.A.";
- › on 15 December 2025, a preferred senior bond eligible for MREL purposes was issued for an aggregate value of 100 million euros, fully subscribed by Assicurazioni Generali S.p.A. through a private placement;
- › on 1 August 2025, the EU Court of Justice, through its Judgement concerning the joined cases from C-92/24 to C-94/24 (so-called "Mediolanum Judgment"), acknowledged the incompatibility of the Italian law that provides for the inclusion in the basis of assessment for IRAP tax of dividends that financial and insurance intermediaries receive from their EU subsidiaries. The subsequent incorporation into the Italian 2026 Budget Law (Law No. 199/2025) of the principles laid down in said Judgement also recognised the right to receive the reimbursement of the higher IRAP paid in prior years, while also acknowledging the validity of all applications submitted before 31 December 2025. In accordance with the principles set forth in the EU Court of Justice's Judgement and the subsequent incorporation into the Italian law, a net amount of 39 million euros tax receivables from Tax Authorities were recognised, accounting for the higher IRAP tax paid with regard to the applications already submitted.

It should also be noted that in the year non-recurring provisions and adjustments totalling 61.5 million euros were recognised to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues — for which civil and criminal litigation is currently ongoing with the party that set up, marketed and managed these transactions — and to sustain customer retention.

In particular, provisions referred for 45.5 million euros to commercial initiatives for customers, including guarantees issued, additional potential customer losses that the Bank might cover in part for the reasons stated above and the legal fees for the litigation with the parties that set up, marketed and managed the financial instruments purchased by customers.

Value adjustments included a net 16.0 million euros (15.7 million euros net of 0.3 million euro receivables for late payment interest) referring to value adjustments to the rights of recourse related to the enforcement of guarantees and of amounts receivable in relation to usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024 (4.8 million euros).

No other atypical and unusual transactions were undertaken, i.e., all transactions that due to their significance/materiality, the nature of the counterparties, the subject matter of the transaction (including in relation to ordinary operations), the transfer pricing method and/or timing of occurrence (near the end of the reporting period) may give rise to doubts as to the accuracy/completeness of the information presented in the financial statements, conflicts of interest, the safeguarding of company assets and the protection of minority shareholders (Consob Communication No. DEM/6064293 of 28 July 2006).

OECD Pillar Two Model Rules

OECD Pillar Two Model Rules² have introduced guidelines for national legislation according to which multinational enterprises with revenues above 750 million euros must pay a global minimum level of tax of at least 15% on the income arising in each of the jurisdictions in which they operate.

The OECD Pillar Two rules were converted in Union law by Directive (EU) 2022/2523 of 14 December 2022, with the aim of ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union and were transposed into Italian legislation by Italian Legislative Decree No. 209 of 27 December 2023, which entered into force on 1 January 2024.

The Banca Generali Banking Group falls within the scope of application of this tax system, as it is included in the broader consolidation scope of the multinational Assicurazioni Generali Insurance Group.

Under this system, the Banking Group companies contribute, together with the other Generali Insurance Group companies, to the determination of the taxable income and the average global tax rate calculated based on the jurisdictions in which they operate.

Pursuant to the provision of section 4.A of the Amendments to IAS 12, the Banking Group applies the exception both upon the recognition and upon the disclosure of deferred tax assets and liabilities relating to income taxes arising from the implementation of the Pillar Two Model Rules.

In addition, current taxes were not recognised in connection with income taxes deriving from the application of the Pillar Two Model Rules.

Exposure to the income taxes in question is based on the level of actual taxation generated by all Generali Insurance Group companies and by all jointly controlled entities within each jurisdiction.

Although, pursuant to the Pillar Two Model Rules legislation, the Insurance Group is required to pay a top-up tax for the difference between its effective GloBE tax rate, as measured in each jurisdiction, and the minimum rate of 15%, calculated on the basis of the information that may reasonably be estimated at the end of each quarter, the Banking Group companies are included among the majority of the Group entities (and of the jointly controlled entities) located in jurisdictions that have passed at least one of the three tests³ required by the transitional safe harbours and for which the conditions are met to consider the taxes resulting from the application of the Pillar Two Model Rules as nil.

As regards the first years of application ("transition rules" applicable to years ending no later than 30 June 2029), the Pillar Two Model Rules legislation provides for the possibility to apply a simplified regime ("transitional safe harbours") based mainly on accounting information available for each relevant jurisdiction that, where at least one of the three tests is passed, entails a reduction in compliance burdens and the elimination of taxes arising from the application of the Pillar Two Model Rules.

Within the framework of Assicurazioni Generali Insurance Group, the companies of the Banking Group cooperate with the Group tax functions so as to comply with the new obligations imposed by the regulatory framework by implementing adequate systems and procedures.

National Tax Consolidation option

In 2004, the Parent Company, Assicurazioni Generali, and some Italian companies belonging to Assicurazioni Generali Group, including Banca Generali S.p.A., began participating in the National Tax Consolidation governed by Articles 117-129 of TUIR (Italy's income tax code), which was introduced into Italy's fiscal legislation by Italian Legislative Decree No. 344/2003.

Under the scheme, Banca Generali transfers its taxable profit (or tax losses) to the parent company, Assicurazioni Generali S.p.A., which computes a single taxable profit (or a single tax loss) for the Group as the sum of the profits and/or losses of the individual companies, and reports a single tax receivable from or payable to the Tax Authorities.

Formation of Assicurazioni Generali VAT Group

On 23 September 2019, as Representative of the Group's Italian subsidiaries, Assicurazioni Generali exercised the option to adopt the Group's VAT rules (set out in Articles 70-*bis et seqq.* of Italian Presidential Decree No. 633/72) with effect from 1 January 2020. Accordingly, with effect from that date all companies included in the VAT Group will use only the VAT registration number assigned by the Italian Tax Authorities to the Group: 01333550323.

² OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) – Pillar Two Model Rules.

³ Reference is made in particular to the de minimis test, the effective tax rate test and the routine profits test.

Relations between the individual participants and the Group's Representative (Assicurazioni Generali S.p.A.) are governed by a specific contract. In particular, obligations to document and register VAT input and/or output transactions will continue to be discharged by the individual participants, whereas the additional obligations relating to "management" of the tax will be discharged solely by the Group Representative, in its capacity as single VAT-liable entity.

By express provision of law, the Group VAT Representative will be required to file periodic VAT returns and make the related payments, submit the periodic VAT filings (LIPE), file the annual VAT return and submit the other information required by the relevant legislation (e.g., Esterometro and Intrastat statistics).

Other information

Information on government grants pursuant to Article 1, paragraph 125, of Italian Law No. 124 of 4 August 2017 ("Annual market and competition law")

In compliance with Article 1, paragraph 125-*bis*, of Law No. 124/2017 (Annual market and competition law), as most recently amended by Article 35 of Decree-Law No. 34/2019 (Growth Decree), companies are required to disclose annually, in the Notes and Comments to their financial statements, the amount of government grants received, where grants are understood to refer to "subventions, subsidies, benefits, grants or aid, in cash or in kind, not of a general nature and not of the nature of consideration, remuneration or compensation, actually disbursed to them by public administrations."

The obligation applies solely to grants in excess of the threshold of 10,000 euros per grantor authority, whether of a monetary nature, on a cash basis, or of a non-monetary nature.

Paragraph 125-*quinquies* of the statute also establishes that in the case of State aid and de minimis aid included in the National State Aid Registry the registration and publication of the individual aid in the transparency section must take account of the publication obligations incumbent on the beneficiary companies, provided that the existence of aid subject to mandatory publication in the National State Aid Registry is disclosed in the Notes and Comments to the financial statements.

For further details on the grants received, reference should be made to the website of the National State Aid Registry for companies, which may be consulted at the link www.rna.gov.it/sites/PortaleRNA/it_IT/home.

In light of the foregoing, it should be noted that in 2025 Banca Generali received the following grants:

BENEFICIARY	TYPE OF GRANT	GRANTOR AUTHORITY	AMOUNTS RECEIVED
Banca Generali	Personnel training ^(*)	FBA Banks and Insurers' Fund ^(*)	87

(*) This sum refers to aids for personnel training applied for in 2022 and paid in April 2025. It should be noted that for grants with 2025 as the grant date, listed in the National State Aid Registry, available for free consultation on the relevant website, no disbursements were made in the year that has just ended.

Audit

The Consolidated Financial Statements are subject to auditing by the firm KPMG S.p.A. in execution of the resolution passed by the Shareholders' Meeting on 22 April 2021.

Part A.2 – Main Financial Statements Aggregates

This section sets out the accounting policies adopted for the preparation of the Consolidated Financial Statements at 31 December 2025, as regards the stages of classification, recognition, measurement and derecognition of the various asset and liability items and the methods of recognition of costs and revenues.

With reference to the foregoing, it should be noted that during the reporting year, the accounting policies adopted by the Banking Group underwent no significant amendments and supplementations.

In light of the above, the consolidated accounting policies of Banca Generali Group are reported here below with an analysis of the main financial statements items.

1. Financial assets measured at fair value through profit or loss (FVTPL)

Classification

This category includes all financial assets other than those recognised among Financial assets measured at fair value through other comprehensive income and Financial asset measured at amortised cost.

In particular, the item includes:

- › financial assets held for trading, essentially consisting of debt and equity securities and the positive value of derivative contracts held for trading; such assets are included in the regulatory trading book (the “trading book” pursuant to IFRS 9) and are also known as “hold-to-sell” or “HTS” assets;
- › financial assets mandatorily measured at fair value, i.e., financial assets that do not meet the requirements for measurement at amortised cost or fair value through other comprehensive income. These are financial assets the contractual terms of which do not provide solely for payments of principal and interest (“SPPI test” not passed) or that are not held within a business model whose objective is to hold the assets to collect the contractual cash flows (a “hold-to-collect” business model) or whose objective is achieved by both collecting the contractual cash flows and selling the financial assets (a “hold-to-collect-and-sell” business model);
- › financial assets designated at fair value, i.e., financial assets identified as such upon initial recognition, where the requirements have been met. In cases of this kind, upon recognition an entity may irrevocably designate a financial asset as measured at fair value through profit or loss if, and only if, so doing eliminates or significantly reduces a measurement or recognition inconsistency.

Accordingly, the following are included in this item:

- › debt securities and loans that are held within an Other/Trading business model (i.e., not a hold-to-collect or hold-to-collect-and-sell business model) or that do not pass the SPPI test;
- › equity securities — not qualifying as controlling interests in subsidiaries, associates and joint ventures — that are held for trading or that were not designated at fair value through other comprehensive income upon initial recognition;
- › UCITS units.

The item also includes derivatives accounted for among financial assets held for trading, classified as assets if fair value is positive, and as liabilities if fair value is negative.

It is possible to set off current positive and negative values deriving from outstanding transactions with the same counterparty only if there is currently a legal right to set off the recognised amounts and the entity intends to settle the positions subject to offsetting on a net basis.

Derivatives also include those embedded in hybrid financial contracts, in which the host contract is a financial liability, and which have been separately recognised inasmuch as:

- › their economic characteristics and risks are not closely related to the characteristics of the underlying contract;
- › the embedded instruments considered separately meet the definition of a derivative;
- › the hybrid instruments in which they are embedded are not measured at fair value and changes in fair value are recognised in profit or loss.

According to the general rules for the reclassification of financial assets (with the exception of equity securities, which cannot be reclassified) laid down by IFRS 9, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for managing financial assets. In such cases, which are expected to be quite rare, financial assets may be reclassified from measured at fair value through profit or loss to one of the two other categories provided for in IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through other comprehensive income). The transfer value is the fair value at the time of reclassification and the effects of reclassification apply prospectively from the reclassification date. In such cases, the effective interest rate of the reclassified financial asset is determined on the basis of its reclassification date fair value, and the reclassification date is taken as the date of initial recognition for allocation to the various credit risk stages (stage assessment) for impairment purposes.

Recognition

Debt and equity securities are initially recognised on the settlement date. Loans are initially recognised on the disbursement date, while derivative contracts on the date the contract is entered into.

Financial assets measured at fair value through profit and loss are initially recognised at fair value, less transaction costs or income directly related to the instrument itself.

Measurement

Subsequent to initial recognition, financial assets held for trading are recognised at fair value. The effects of the application of these measurement criteria are recognised in profit and loss.

The fair value of financial instruments traded in active markets is determined by referring to the appropriate quoted market price of such instruments.

A financial instrument is regarded as listed in an active market if quoted prices represent actual and regularly occurring market transactions on an arm's length basis over a normal reference period and those prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service or authorised entity.

In the absence of an active market, alternative valuation methods based on market data are used, such as quotes drawn from inactive markets, or on markets where similar instruments are traded, the notional value of financial instruments, quotes from brokers or placing agents involved in the issue of financial instruments, quotes from info providers specialised in specific sectors, and values drawn from recent comparable transactions.

The cost criterion is used for equity securities and derivative instruments that have as their underlying equity securities, not listed on an active market, as an estimate of fair value solely to a residual degree and limited to a few cases, such as cases in which all previously discussed measurement methods are not applicable, or where there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within the range.

Further information on the criteria used for determining fair value is given in Section "A.4 Information on fair value" of Part A of these Notes and Comments.

Derecognition

Financial assets are derecognised when the contractual rights to receive the cash flows from the financial asset expire or when the financial asset, together with substantially all related risks and rewards, is transferred.

Conversely, if a significant share of the risks and rewards relating to the transferred financial assets is retained, these assets will continue to be carried in the financial statements, even though the ownership of said assets has been effectively transferred in legal terms.

In cases where the transfer of substantially all risks and rewards cannot be assessed, derecognition occurs when no control has been retained over such assets. Conversely, if even partial control is retained, the assets continue to be recognised in the financial statements to the extent of residual control, which is measured by the exposure to changes in the value of the transferred assets and related cash flows.

In addition, transferred financial assets are also derecognised from the financial statements if contractual rights to receive the asset's cash flows are retained, but a contractual obligation to pay, without a significant delay, those (and only those) cash flows to a third party is assumed.

2. Financial assets measured at fair value through other comprehensive income (FVOCI)

Classification

This category includes financial assets that satisfy both of the following conditions:

- › the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets (a "hold-to-collect-and-sell" business model); and
- › the contractual terms of the financial asset give rise, on specific dates, to cash flows consisting solely of payments of principal and interest ("SPPI test" passed).

The item also includes equity instruments not held for trading electively designated at fair value through other comprehensive income upon initial recognition.

Specifically, it includes:

- › debt securities and loans held within a hold-to-collect-and-sell business model that have passed the SPPI test;
- › equity interests, equity investments and capital contributions of various kinds not qualifying as controlling interests in subsidiaries, associates and joint arrangements, not held for trading purposes, designated at fair value through other comprehensive income.

According to the general rules for the reclassification of financial assets (with the exception of equity securities, which cannot be reclassified) laid down by IFRS 9, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for managing financial assets.

In such cases, which are expected to be quite rare, financial assets may be reclassified from measured at fair value through other comprehensive income to one of the two other categories provided for in IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of reclassification and the effects of reclassification apply prospectively from the reclassification date. In the event of reclassification from this category to that at amortised cost, the cumulative gain (loss) recognised in the valuation reserve is taken as an adjustment of the financial asset's fair value at the reclassification date. In the event of reclassification to fair value through profit or loss, the cumulative gain (loss) previously recognised in the valuation reserve is reclassified from net equity to net profit (loss) for the year.

Recognition

Debt and equity securities are initially recognised on the settlement date. Loans are initially recognised at the disbursement date. Assets are initially recognised at fair value, including transaction costs or income directly related to the instrument.

Measurement

After initial recognition, assets designated at fair value through other comprehensive income other than equity securities are measured at fair value and the impact of the application of amortised cost, the effects of impairment and any foreign exchange effect are taken to profit or loss, whereas other gains or losses due to changes in fair value are entered to a specific equity reserve until the financial asset is derecognised.

Upon total or partial derecognition, cumulative gains or losses in the valuation reserve are recognised, fully or partially, through profit or loss.

Equity securities that have been classified to this category on an elective basis are measured at fair value through other comprehensive income (net equity) and cannot be transferred to profit and loss thereafter, even in the event of disposal. The only component attributable to the equity instruments in question that may be recognised in profit or loss is the related dividends.

Fair value is determined on the basis of the criteria set out above for financial assets measured at fair value through profit or loss. In the case of equity securities included in this category not listed on an active market, the cost criterion is only used to estimate fair value on a residual basis, limited to a few circumstances, i.e., where all previously discussed measurement methods do not apply, or where there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within the range.

Further information on the criteria used for determining fair value is given in Section "A.4 Information on fair value" of Part A of these Notes and Comments.

Derecognition

Financial assets are derecognised from the financial statements only if the transfer results in the transfer of substantially all risks and rewards connected to such assets. Conversely, if a significant share of the risks and rewards relating to the transferred financial assets is retained, these assets will continue to be carried in the financial statements, even though the ownership of said assets has been effectively transferred in legal terms.

In cases where the transfer of substantially all risks and rewards cannot be assessed, derecognition occurs when no control has been retained over such assets. Conversely, if even partial control is retained, the assets continue to be recognised in the financial statements to the extent of residual control, which is measured by the exposure to changes in the value of the transferred assets and related cash flows.

In addition, transferred financial assets are also derecognised from the financial statements if contractual rights to receive the asset's cash flows are retained, but a contractual obligation to pay, without a significant delay, those (and only those) cash flows to a third party is assumed.

3. Financial assets measured at amortised cost

Classification

This category includes financial assets (and in particular loans and debt securities) that satisfy both of the following conditions:

- › the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows (a "hold-to-collect" business model); and
- › the contractual terms of the financial asset give rise, on specific dates, to cash flows consisting solely of payments of principal and interest ("SPPI test" passed).

In further detail, the following are classified to this item:

- › loans to banks in various forms that meet the requirements set out in the foregoing paragraph;
- › loans to customers in various forms that meet the requirements set out in the foregoing paragraph;
- › debt securities that meet the requirements set out in the foregoing paragraph.

This category also includes operating loans associated with the provision of financial assets and services, as defined in the Consolidated Law on Banking (TUB) and the Consolidated Law on Finance (TUF) (e.g., the distribution of financial products and servicing activities). This latter category also includes receivables from financial partners and receivables from the Financial Advisor Network for advances on fees paid.

According to the general rules for the reclassification of financial assets laid down by IFRS 9, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for managing financial assets. In such cases, which are expected to be quite rare, financial assets may be reclassified from the category measured at amortised cost to one of the two other categories provided for in IFRS 9 (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of reclassification and the effects of reclassification apply prospectively from the reclassification date. Gains or losses resulting from the difference between the amortised cost and fair value of a financial asset are taken to profit or loss in the event of reclassification to financial assets measured at fair value through profit or loss, and to a specific valuation reserve in net equity in the event of reclassification to financial assets measured at fair value through other comprehensive income.

Eligibility of the sale of financial instruments classified to the HTC portfolio

The accounting standard IFRS 9 recognises the eligibility of the sale of financial instruments classified to the HTC portfolio, assets in which are normally held to collect their contractual cash flows until maturity, as a condition for the ordinary management of such portfolios, without calling the goal of the business model into question.

In particular, sales are deemed fully consistent with the model in the event of a significant increase in credit risk, other negative changes of a regulatory or tax nature, proximity to maturity or, in the absence of such reasons, where the sales are:

- › infrequent, even if significant in value;
- › not significant in value (whether separately or collectively), although frequent.

Within this framework, in the new business conditions in which Banca Generali finds itself to operate, characterised by a more severe stress situation and a more volatile context, a suitability assessment of the size of current and prospective financial investment portfolios provided for in the Strategic Plan and a comparison with the most common management practices on the market identified the need to proceed with a revision of the thresholds for the eligibility of sales, which for 2025 were as follows:

- › extension of the materiality thresholds for sales considered non-significant to 10.38% of the total portfolio (9.91% in 2024) and to 5% of the individual ISIN, and for infrequent sales to 14.7% of the total portfolio;
- › adoption of a method for determining limits based not only on historical sales, but also current and future sales;
- › identification of specific grounds for eligibility of sales in rare, unexpected and unforeseeable conditions;
- › adjustment of the period of eligibility of sales near maturity to 12 months prior to the maturity of the financial instrument.

Recognition

Debt securities are initially recognised on the settlement date, whereas loans are initially recognised on the disbursement date. Assets are initially recognised at fair value, including transaction costs or income directly related to the instrument.

In the case of loans, in particular, the date of disbursement normally coincides with the date of execution of the contract. If the two dates do not coincide, a commitment to disburse funds terminating on the date of disbursement of the loan is added when the contract is executed. A loan is initially recognised on the basis of the fair value of the same, which is equal to the amount disbursed or the subscription price, including costs/income directly attributable to the individual loan that may be determined at the inception of the transaction, even if settled at a later time. Costs with the above-described characteristics are excluded if they are to be repaid by a third-party borrower or can be considered normal, internal, general and administrative expenses.

Measurement

After initial recognition, these financial assets are measured at amortised cost using the effective interest-rate method. Accordingly, such assets are measured at an amount equal to their initial recognition value, minus capital redemptions, plus or minus cumulative amortisation (calculated according to the aforementioned effective interest-rate method) of the difference between that initial amount and its value at maturity (typically derived from the costs/income directly attributable to the individual asset) and adjusted by loss allowance, if any. The effective interest rate is the rate that equates the present value of discounted future cash outflows (for principal and interest payments) with the amount disbursed including the costs and income relating to the said financial asset. This method of recognition allows, by applying a financial logic, the financial effect of the costs and income directly attributable to a financial asset to be distributed across its expected residual life.

The amortised cost method is not used for assets measured at historical cost whose short durations suggest that the effects of discounting would be negligible, nor is it applied to assets without fixed maturities or revocable lines of credit.

The measurement criteria are closely connected to the inclusion of the instruments in question in one of the three stages (credit risk stages) provided for in IFRS 9, the last of which (stage 3) includes non-performing financial assets, and the remainder (stages 1 and 2) performing financial assets.

In terms of the accounting treatment of the above measurement effects, adjustments attributable to this type of asset are taken to profit or loss:

- › upon initial recognition, in an amount equal to the expected loss at twelve months;

- › upon subsequent measurement of the asset, where credit risk has not increased significantly compared with initial recognition, in respect of changes in the amount of adjustments for expected losses in the following twelve months;
- › upon subsequent measurement of the asset, where the credit risk has increased significantly with respect to initial recognition, in respect of the recognition of adjustments for expected credit losses attributable to the asset's entire expected residual contractual life;
- › upon subsequent measurement of the asset, where, after a significant increase in credit risk with respect to initial recognition, this increase has ceased to be significant in respect of the adjustment of cumulative impairment losses to account for the transition from an expected loss over the entire residual lifetime of the instrument to the expected loss over a twelve-month period.

Where performing, the financial assets in question are measured with the aim of determining the impairment losses to be recognised at the level of each individual credit relationship (or "tranche" of a security) on the basis of the risk parameters of probability of default (PD), loss given default (LGD) and exposure at default (EAD).

If, in addition to a significant increase in credit risk, there is objective evidence of impairment, the amount of the loss is measured as the difference between the carrying amount of the asset — classified as "non-performing" along with all other relationships with the counterparty in question — and the present value of the estimated future cash flows, discounted at the original effective interest rate.

The amount of the loss, to be recognised in profit or loss, is determined on the basis of a measurement process performed for individual assets or uniform categories of assets, and then allocated to each position.

Non-performing loans include financial instruments classified as follows:

- 1) bad loans: this category refers to formally non-performing loans, consisting of exposures to customers who are in a state of insolvency, regardless of whether confirmed by a court, or in similar situations;
- 2) unlikely to pay: these are on- and off-balance sheet exposures for which the conditions have not been met for classification as bad loans and for which it is deemed unlikely that the borrower will be capable of fulfilling all of its debt obligations (in terms of principal and/or interest) in the absence of actions such as the enforcement of guarantees. This assessment is conducted regardless of the presence of any past due and unpaid amounts or instalments.
Classification as unlikely to pay is not necessarily tied to the explicit presence of anomalies (non-payment), but rather is linked to the existence of elements indicative of a situation of risk of default of the borrower;
- 3) non-performing overdrawn or past-due exposures: these are on-balance sheet exposures other than those classified as bad debts or unlikely to pay loans that are overdrawn or past due by more than 90 days at the reporting date. Non-performing overdrawn or past-due exposures may be identified in reference to either the individual borrower or individual transaction.

Expected cash flows take account of expected collection times and the presumed realisable value of any underlying guarantees. The original effective interest rate of each asset remains unchanged over time, even if a renegotiation of the terms results in a change of the contractual rate, including if the contract becomes non-interest-bearing.

If the reasons for impairment cease to exist due to an event occurring after the impairment was recognised, the impairment loss is reversed and the reversal is recognised in profit or loss. The reversal may not exceed the amortised cost that would have been attributable to the asset had the impairment not been recognised. Reversals due to the passage of time are taken in net interest income.

In some cases, over the lifetimes of the financial assets in question, and in particular over those of loans, the original contractual conditions are modified at the will of the parties to the contract.

When contractual terms are modified in the course of an instrument's life, it must be verified whether the original asset is to continue to be recognised in the financial statements or the original instrument is instead to be derecognised and a new financial instrument recognised.

When the modifications of financial assets are "substantial", the original asset is generally derecognised and a new asset is instead recognised. A modification is determined to be "substantial" on the basis of both qualitative and quantitative elements. In some cases, in fact, it may be clear, without the need for complex analyses, that the changes made substantially modify an asset's contractual characteristics and/or cash flows, whereas in other cases additional analyses (including of a quantitative nature) must be conducted to measure the effects of such modifications and verify whether the asset should be derecognised and a new financial instrument recognised.

Accordingly, the qualitative and quantitative analyses, aimed at determining whether contractual modifications of a financial asset are substantial, must be based on:

- › the purposes of the modifications: for example, renegotiations for commercial reasons and forbearance measures due to financial difficulties by the counterparty;
 1. the former, aimed at "retaining" the customer, involve a debtor not in a situation of financial difficulty. This category also encompasses all renegotiation transactions aimed at adjusting the cost of debt to market conditions. Such transactions entail a modification of the original terms of the contract, typically at the debtor's request, relating to aspects affecting

the cost of the debt, with the resulting economic benefit for the debtor. It is generally held that, whenever the bank renegotiates in order to avoid losing a customer, such renegotiation must be considered substantial inasmuch as, had it not occurred, the customer could have obtained financing from another intermediary and the bank would have incurred a loss of expected future revenues;

2. the latter, undertaken for “reasons of credit risk” (forbearance measures), are attributable to the bank’s attempt to maximise the recovery of the cash flows from the original loan. Substantially all the underlying risks and rewards are typically not transferred as a result of such modifications. Accordingly, the accounting treatment that provides the most relevant information for the readers of the financial statements (without prejudice to the remarks presented below regarding objective elements) is that based on “modification accounting”, which entails the recognition in profit or loss of the difference between the carrying amount and the present value of the modified cash flows, discounted at the original interest rate, and not through derecognition;
- › the presence of specific objective elements (“triggers”) that affect the contractual characteristics and/or cash flows of the financial instrument (including, but not limited to, a change of currency or modification of the type of risk exposure, where correlated with equity and commodity parameters) and that are believed to entail derecognition by virtue of their impact (expected to be significant) on the original contractual cash flows.

Derecognition

Financial assets are derecognised from the financial statements only if the transfer results in the transfer of substantially all risks and rewards connected to such assets. Conversely, if a significant share of the risks and rewards relating to the transferred financial assets is retained, these assets will continue to be carried in the financial statements, even though the ownership of said assets has been effectively transferred in legal terms.

In cases where the transfer of substantially all risks and rewards cannot be assessed, derecognition occurs when no control has been retained over such assets. Conversely, if even partial control is retained, the assets continue to be recognised in the financial statements to the extent of residual control, which is measured by the exposure to changes in the value of the transferred assets and related cash flows.

In addition, transferred financial assets are also derecognised from the financial statements if contractual rights to receive the asset’s cash flows are retained, but a contractual obligation to pay, without a significant delay, those (and only those) cash flows to a third party is assumed.

4. Hedging transactions

The Banking Group adopts IFRS 9 for hedging transactions, with the exception of the macro fair value hedging of the asset and liabilities portfolios, for which it has exercised the option to continue using IAS 39 by applying the carve-out approach adopted by the European Union.

Classification and types of hedges

At the annual or interim reporting date, hedging financial derivatives that show a positive or a negative fair value are classified, respectively, under Item “50. Hedging derivatives” among balance-sheet assets or under Item “40. Hedging derivatives” among balance-sheet liabilities.

The objective of hedging is to eliminate possible losses on a specific item or group of items that could be incurred as a result of a certain risk with gains on another item or group of items in cases where that specific risk actually occurs.

Possible types of hedges include:

- › **fair value hedges**, intended to hedge exposure to changes in the fair value of a financial statement item attributable to a particular risk; it is also possible to apply macro fair value hedges with the objective of reducing fair value fluctuations due to interest rate risk of a monetary amount deriving from a portfolio of financial assets or liabilities (including core deposits). However, net amounts arising from the imbalance of assets and liabilities are generally excluded from macro hedging;
- › **cash-flow hedges**, intended to hedge exposure to changes in future cash flows of financial statement items or of a highly probable forecast transaction attributable to particular risks;
- › **hedges of a net investment in a foreign operation**, intended to hedge the foreign currency exposure of an investment in a foreign undertaking, denominated in a currency other than the functional currency of the consolidated financial statements of the Group of which it is part. In the separate financial statements, they are instead recognised as a fair value hedging relationship of the controlling interest.

In the consolidated financial statements, only instruments that involve a counterparty external to the Group can be designated as hedging instruments.

During 2024 macro fair value hedging was applied to hedge a demand deposit portfolio, in addition to cash flow hedges. To date, no hedges of a net investment in a foreign operation have been arranged.

Recognition

As all derivatives, hedging derivatives are initially recognised at fair value at the transaction date.

Derivatives qualify as hedging instruments if the hedging relationship is formally designated and documented at the inception date, specifying:

- › the nature of the economic relationship between the hedged item and the hedging derivative;
- › risk management objectives;
- › the hedging strategy; and
- › the methods used to assess effectiveness both at inception and, prospectively, over the term of the hedge.

The assessment of the hedge effectiveness depends on the degree to which changes in the fair value or expected cash flows of the hedged item are offset by changes in the fair value or expected cash flows of the hedging instrument. Effectiveness is thus assessed by comparing these changes in light of the intentions expressed by the enterprise at the hedge's inception.

The assessment must be performed, at least, at each annual or interim reporting date or, where earlier, when a material change in the circumstances that influence the hedge effectiveness requirements occurs.

The assessment is based on expectations regarding hedge effectiveness. It is thus merely indicative of expected developments and is based on an exclusively forward-looking analysis. The method adopted may consist of a qualitative or quantitative assessment.

Measurement

Hedging derivatives are measured at fair value. Specifically:

- › **micro fair value hedges:** changes in the fair value of the hedged item, which are attributable to the hedged risk and are recognised as a balancing entry to the carrying amount of the hedged item, are offset against the change in the fair value of the hedging instrument. The offsetting is accounted for by recognising both the change in value of the hedged item and the change in value of the hedging instrument through profit or loss under Item 90. "Net income (loss) from hedging". Any difference between the two represents an element of partial ineffectiveness of the hedge and determines the net effect on net profit or loss;
- › **macro fair value hedges:** the positive or negative balance of changes in the fair value of assets or liabilities subject to macro fair value hedging, measured with reference to the hedged risk, is recognised, respectively, among assets under Item "60. Adjustment to macro-hedged financial assets (+/-)" or among liabilities under Item "50. Adjustment to macro-hedged financial liabilities (+/-)". The hedge ineffectiveness is calculated as the difference between the change in the fair value of the hedged monetary amount and the change in the fair value of the hedging instruments, both recognised under Item "90. Net income (loss) from hedging" in the profit and loss account;
- › **cash-flow hedges:** the effective portion of change in the fair value of the hedging instrument is recognised in net equity under Item "120. Valuation reserves" (Item "110. Valuation reserves" of the Separate Financial Statements), whereas the ineffective component is recognised through profit or loss under Item "90. Net income (loss) from hedging". The total amount of gains and losses recognised in net equity is subsequently reversed to the profit and loss account when there is a change in the cash flows of the hedged item or if the hedge becomes ineffective;
- › **hedges of a net investment in a foreign operation:** they are accounted for in the consolidated financial statements in a manner similar to cash-flow hedges.

Derecognition

Fair value hedge accounting is no longer applied prospectively in the following cases:

- › the hedging instrument expires or is sold, terminated or exercised;
- › the hedge no longer meets prospectively the criteria for hedge accounting.

If these assessments do not confirm the hedge effectiveness, the hedge accounting procedures are discontinued and the derivative instrument is reclassified as a trading instrument.

In fair value hedges, the hedged financial instrument is once again applied the measurement criterion corresponding to its balance-sheet classification. If the hedged asset or liability is measured at amortised cost, the higher or lower value resulting from its fair value measurement is recognised through profit or loss using the effective interest rate method.

Upon discontinuation of a macro fair value hedge, the cumulative revaluations/write-downs recognised under "Adjustment to macro-hedged financial assets" or under "Adjustment to macro-hedged financial liabilities" are taken to the profit and loss account under interest income or interest expense over the residual term of the initial hedging relationships, subject to verification that the conditions are met.

Cash-flow hedge accounting is no longer applied prospectively in the following cases:

- › the hedging instrument expires or is sold, terminated or exercised;
- › the hedge no longer meets the criteria for hedge accounting;
- › the forecast transaction is no longer expected to occur; in which case any related cumulative gain or loss on the hedging instrument recognised directly in net equity shall be taken to profit or loss.

For hedges of a forecast transaction, the cumulative gain or loss on the hedging instrument recognised directly in net equity from the financial year in which the hedge was effective shall remain separately recognised in net equity until the forecast transaction occurs or is no longer expected to occur. In the latter case, any amount recognised directly in net equity is immediately reversed to the profit and loss account.

5. Equity investments

This item includes equity investments in associates and joint ventures.

Entities subject to significant influence (associates) are those entities in which the Bank holds at least 20% or more of the voting rights (including “potential” rights), or in which — although holding a lower voting power, in light of specific legal ties, such as Shareholders’ agreements — it has the power to participate in the financial and management policy-making process or can exercise governance rights that are not limited to capital interests.

Companies subject to joint control (joint ventures) are entities over which control is shared, on a contractual basis, by the Bank and another entity or other entities external to the Group, or for which decisions regarding important activities require the unanimous consent of all parties that share control.

Recognition

Equity investments in associates and joint ventures are recognised at the transaction settlement date, i.e., the date the acquisition becomes effective. Equity investments are initially recognised at purchase cost.

Measurement

In the Consolidated Financial Statements, equity investments in joint ventures and associates are valued using the equity method.

When there is indication of a possible loss in value of an equity investment, the recoverable amount of the investment is estimated based on the present value of future cash flows that the company could generate, including the disposal value of the equity investment.

If the recoverable amount is less than the carrying amount, the difference is recognised through profit or loss.

If the reasons for impairment cease to exist due to an event occurring after the impairment was recognised, the impairment loss is reversed and the reversal is recognised in profit or loss.

Derecognition

Equity investments are derecognised when the contractual rights to receive the cash flows from the financial asset expire or when the financial asset, together with substantially all related risks and rewards, is transferred.

6. Property and equipment

Classification

Property and equipment include technical systems, furniture, furnishings and equipment of any type.

They also include assets held exclusively for operating purposes, to be used in the production or provision of goods and services or to be leased to third parties or for administrative purposes and that are expected to be used for more than one year.

Property and equipment also include rights of use (“ROUs”) acquired in lease transactions within the scope of application of IFRS 16 and relating to the use, as lessee, of assets in this category (real estate, motor vehicles, equipment, etc.). For a more detailed analysis of the accounting criteria adopted by the Bank in respect of IFRS 16, reference should be made to Section 15 “Other information”.

Recognition

Property and equipment are initially recognised at cost, which includes the purchase price, as well as all directly related ancillary costs necessary to purchase the asset and bring it into working condition.

Extraordinary maintenance costs that increase the future economic benefits of the asset are added to the carrying amount of the asset to which they relate, while routine maintenance costs are recognised through profit or loss.

Measurement

Property and equipment, including those not used in production, are measured at cost less depreciation and impairment losses. They are systematically depreciated over their estimated useful life using the straight-line method.

At each annual or interim reporting date, if there is indication that an asset may be impaired, its carrying amount is compared to its recoverable amount, which is the higher of an asset’s fair value less costs to sell and its value in use, i.e., the present value of future cash flows expected to be generated by the asset. Impairment losses are recognised in the profit and loss account.

If the reasons for impairment cease to exist, the impairment loss is reversed; the new amount cannot exceed the carrying amount the asset would have had after depreciation, had no previous impairment loss been recognised.

Derecognition

Property and equipment are removed from the balance sheet upon disposal or when permanently withdrawn from use and no future economic benefits are expected from their disposal.

7. Intangible assets

Classification

An intangible asset is an identifiable non-monetary asset controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity.

In order to be identifiable, an asset must be separable, i.e., capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, or must arise from contractual or other legal rights, regardless of whether those rights are transferrable or separable from the entity or from other rights and obligations.

An entity controls an asset if the entity has the power to obtain the future economic benefits flowing from the underlying resource and simultaneously restrict the access of others to those benefits.

The capacity of an entity to control the future economic benefits from an intangible asset would normally stem from legal rights that are enforceable in a court of law.

The application of IFRS 3 in accounting for acquisition transactions may entail the recognition, in the purchase price allocation (PPA) process of new intangible assets and goodwill.

Goodwill represents the positive difference between the purchase cost and the fair value of the acquiree's assets and liabilities. Intangible assets with an indefinite useful life also include the value of the trademarks recognised following the acquisition of Nextam Partners Group and Intermonte (Websim and Intermonte trademarks).

At the end of 2025, following the acquisition and merger of Aequitum Group and the subsequent change of BG Valeur's company name into BG Aequitum, the carrying amount of the trademark recognised following the acquisition of BG Valeur S.A. was written off.

Other intangible assets also included the value of the contractual relationships with customers identified within the framework of the acquisitions of Banca del Gottardo Italia (2008), the Credit Suisse Italy business unit (2014), Nextam Partners Group and BG Valeur S.A. (both in 2019), and Intermonte Group and Aequitum Group (both in 2025).

In 2025, following the outflows of a portion of assets under management, an impairment loss was recognised on the carrying amount of the relationships with BG Valeur customers.

Customer relationships are intangible assets within the scope of application of IAS 38, from which it is probable that future economic benefits will flow to the acquirer. The value of such relationships has been determined, as at the acquisition date, on the basis of an estimate of the profitability of assets under management (AUM) associated with the customers acquired, measured separately for each asset class.

The useful lives of such assets, determined on the basis of the expected decay rates for assets under management (AUM), have been estimated as follows:

- › Banca del Gottardo Italia: 10 years;
- › Credit Suisse Italy: 15 years;
- › Nextam Partners Group: 16 years;
- › Intermonte Group: 9-10 years;
- › BG Valeur S.A.: 10 years;
- › BG Aequitum S.A.: 10 year.

The remaining intangible assets are application software intended for long-term use, including the expenses of modifying the legacy system and the intangible assets in progress at the end of the year.

Software costs recorded as intangible assets refer to application software developed by third parties for company use (software development contracts) or purchased with a multi-year licence for use.

Software costs recognised among intangible assets include, at certain conditions, also charges for the development of the IT system used by the Bank based on the outsourcing contract with CSE (legacy, front-end Financial Advisors and front-end customers, etc.).

Such charges are capitalised when they refer to the development of innovative components of the system that are not part of consortium projects, for which it is possible to identify a control situation, and from which future economic rewards are expected. Expenses related to corrective maintenance and evolution of IT procedures and the website already in use are usually recognised through profit and loss in the year in which they are borne.

Recognition

Goodwill

An intangible asset can be classified as goodwill when the positive difference between the fair value of the assets and liabilities acquired and the cost of the investment (including ancillary expenses) is representative of the investee company's ability to generate future income (goodwill).

In case of badwill, or if the goodwill is not representative of the investee company's ability to generate future income, the difference is recognised directly through profit and loss.

Other intangible assets

Other intangible assets are recorded at cost less any ancillary expenses when it is probable that the asset will produce future economic benefits and if the cost of the asset can be reliably determined. When this is not the case, the cost of the intangible asset is recognised in the profit and loss account in the period in which it is incurred.

Measurement

Intangible assets are amortised on a straight-line basis over their useful lives.

Software costs are typically amortised over a three-year period.

Other capitalised costs associated with legacy systems are amortised over a three-year period.

With reference to contractual relations with customers, acquired as a result of the above-mentioned business combinations, the useful lives have been generally estimated at 10 years for Banca del Gottardo Italia, BG Valeur S.A., BG Aequitum S.A. and Intermonete, at 15 years for Credit Suisse Italy and at 16 years for Nextam Partners Group.

Intangible assets with indefinite useful lives are not amortised, but are periodically reviewed to assess the appropriateness of their carrying amount.

Impairment

Goodwill

In accordance with IAS 36, goodwill is no longer amortised, but is tested for impairment at least annually.

For the purposes of impairment testing, goodwill is allocated to cash-generating units (CGUs), which, in accordance with the limitation on the maximum level of aggregation, may be no larger than the segments identified for management reporting.

To determine the amount of impairment, the carrying amount of the CGU is compared with its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

The impairment test for goodwill is presented in Section "Retrospective Adjustments" in Part G of these Notes and Comments.

Other intangible assets

At each reporting date, if impairment is indicated, the recoverable amount of the asset is estimated. The amount of impairment, which is recognised in the Profit and Loss Account, is the amount by which the asset's carrying amount exceeds its recoverable amount.

Derecognition

Intangible assets are removed from the Balance Sheet on disposal or when no future economic benefits are expected from their use.

8. Non-current assets held for sale or disposal groups

The asset item "Non-current assets held for sale or disposal groups" and liability item "Liabilities associated with assets held for sale or disposal groups" include non-current assets, such as equity investments in associates, or groups of assets/liabilities for which a disposal process has been initiated and the sale of which is deemed highly likely. Such assets/liabilities are measured at the lesser of their carrying value and fair value less costs to sell.

If assets held for sale or disposal groups qualify as discontinued operations and associated liabilities, the net balance of income and expenses (net of tax effect), attributable to them or recognised as such in the year, is recognised in the profit and loss account under the separate item of "Income (Loss) of disposal groups, net of taxes".

9. Current and deferred taxes

Income taxes are recognised in the profit and loss account, with the exception of those relating to items posted directly to net equity.

Provisions for income taxes are made based on a prudential estimate of current taxes, and deferred tax assets and liabilities, which are calculated using prevailing tax rates.

Specifically, deferred tax assets and liabilities are calculated based on the temporary differences — without time limits — between the carrying amount of assets and liabilities and their corresponding values for tax purposes.

Deferred tax assets are recognised to the extent that it is probable that they will be recovered, which is determined based on the ability of the company in question or the parent company Assicurazioni Generali — as a result of its exercise of the option provided by the Italian tax consolidation scheme — to generate ongoing taxable income.

Deferred tax liabilities are recognised in the financial statements, except for the main assets pending taxation, represented by equity investments.

Deferred tax assets and liabilities are shown separately in the balance sheet and are not offset; deferred tax assets are recorded under “Tax assets” and deferred tax liabilities are recorded under “Tax liabilities”.

Deferred taxes resulting from consolidation are recognised where it is probable that they will give rise to a tax charge for one of the consolidated enterprises. Such taxes mainly arise when positive differences resulting from consolidation are allocated to the assets of the subsidiary in question.

Deferred tax assets and liabilities are systematically assessed to take account of any changes in tax legislation or rates, as well as changes to the specific situations.

Provisions for taxes also include allocations made to cover charges that could arise from tax assessments already notified or litigation underway with Tax Authorities.

Accounting effects of the redemption of goodwill and other intangible assets pursuant to Italy’s tax laws

In recent years, the tax regime applicable to corporate reorganisation transactions has undergone considerable changes aimed at allowing the recognition of surplus amounts (e.g., goodwill) following an extraordinary transaction involving contribution, merger or de-merger to be recognised for income-tax purposes, as well as through the payment of a substitute tax.

Italian Law No. 244 of 24 December 2007 (2008 Finance Law) introduced paragraph 2-ter into Article 176 of the Consolidated Income Tax Law (hereinafter TUIR) that allows entities to recognise for income-tax purposes the greater amounts recognised in the accounts following a corporate reorganisation transaction in relation to intangible assets, including goodwill, and property and equipment (so-called “ordinary redemption”).

That provision requires that the entity pay a substitute tax, determined according to three income brackets, on the basis of the realigned amounts (12% up to 5 million euros, 14% up to 10 million euros and 16% for amounts in excess of the latter bracket, respectively) in lieu of the ordinary rates of IRES and IRAP.

The substitute tax is to be paid in three annual instalments beginning on the term of payment of the balance of income taxes for the year in which the extraordinary transaction is undertaken, whereas the greater amounts are recognised for the purposes of the tax-deductibility of depreciation and amortisation charges beginning in the tax period in progress when the option for payment of substitute tax is exercised on the tax return, that is to say in the year in which the first instalment is paid.

Italian Law Decree No. 185 of 29 November 2008 (Anti-Crisis Decree), converted to Law No. 2 of 28 January 2009 and then further amended, subsequently introduced a new system of optional realignment of tax and carrying values (so-called “special regime”). The provision, set forth in Article 15, paragraph 10, of the cited Decree, states that, in derogation of the substitute-tax regime introduced by the 2008 Finance Law, taxpayers may obtain recognition for tax purposes of the greater amounts attributed to goodwill, trademarks and other intangible assets with finite useful lives in the financial statements by paying a substitute tax in lieu of IRES and IRAP at the fixed rate of 16%, that is to say without any reference to income brackets and the possibility of paying in instalments.

However, the greater amounts attributed to goodwill and trademarks could have been recovered through the off-balance procedure for amortising goodwill in ten annual instalments instead of the 18 ordinary instalments required under Article 103 of TUIR, beginning in the tax period after that in which the tax is paid.

Article 17 of Italian Law Decree No. 83/2015 then precluded the possibility of converting into tax credits the DTAs referring to the value of goodwill and other intangible assets, recognised for the first time in the financial statements for the year ended 27 June 2015, reducing the off-balance amortisation period from ten to five years.

For the special redemption option as well, that statute also requires that the option be exercised by paying the substitute tax by the term of payment for income taxes for the year in which the extraordinary transactions in question are finalised.

In addition, paragraphs 12 to 14 of Article 23 of Italian Law Decree No. 98/2011 (known as the “Summer Manoeuvre”) introduced the new paragraphs 10-bis and 10-ter to Article 10 of Law Decree No. 185/2008, thus allowing an extension of the “special redemption” procedure to goodwill recognised at the consolidated level only, due to not being presented in the carrying amount of the equity investment.

As originally formulated, the statute provided that, for the purposes of redemption of transactions carried out before 31 December 2010, the 16% substitute tax was to be paid by 30 November 2011, whereas the off-balance deduction of goodwill, in ten equal

instalments, was to occur starting in financial year 2013 — a date that was then postponed by Article 1, paragraph 502, of Italian Law No. 228 of 24 December 2012 (2013 Finance Law) to the year after that in progress as at 31 December 2017⁴.

Banca Generali has undertaken the following transactions in connection with the aforementioned options afforded by the tax code:

- 1) redemption of the mismatch between the carrying amounts and book values of goodwill arising from the merger of Banca del Gottardo Italia into Banca BSI S.p.A. (subsequently merged into Banca Generali effective 1 January 2010), closed in 2010 on the basis of the provisions of Article 15, paragraph 10, of Law Decree No. 185/2008;
- 2) redemption of other intangible assets (customer relationships) arising from the above transaction undertaken in 2010 on the basis of the amounts carried in the financial statements of Banca BSI Italia at 31 December 2009 according to the ordinary procedure outlined in Article 176, paragraph 2-ter, of TUIR;
- 3) redemption of goodwill recognised on a consolidated basis in connection with the full equity investment in the subsidiary BG Fiduciaria SIM S.p.A. undertaken in 2011⁵.

Most recently, Article 110 of Italian Law Decree no. 104 of 14 August 2020 (the “August Decree”), as amended by the 2021 Budget Law (Article 1, paragraph 83, of Law no. 178 of 30 December 2020), with the aim of facilitating stronger capital positions and mitigating the consequences on financial statements of the economic crisis caused by the Covid-19 pandemic, introduced — including for entities that adopt IAS/IFRS — the possibility of realigning the accounting and tax values of goodwill and other intangible assets recognised in the financial statements for the year in progress at 31 December 2019 (Article 110, paragraph 8-bis), to the extent in which they were still present at the closing of the 2020 financial statements.

The option was to be exercised through:

- › the payment of a 3% substitute tax, in a maximum of three instalments of equal amounts, by the due date for payment of the balance of the 2020 income tax return and the reporting in the income tax return of incomes relating to financial year 2020;
- › the application of a restriction on balance-sheet reserves in an amount corresponding to the greater values subject to realignment, net of the substitute tax, to which the provisions for tax-suspended reserves envisaged for revaluation balances applies.

The effects of the realignment of goodwill and other intangible assets are recognised for tax purposes with effect from financial year 2021 and the off-balance amortisation of goodwill should have been therefore deducted in 18 years (paragraph 3-bis).

However, Article 1, paragraphs 622 to 624, of the 2022 Budget Law retroactively amended, in derogation from the taxpayers’ statute, the emergency redemption provisions set out in Article 110 of Law Decree No. 104 of 14 August 2020 (“August Decree”), essentially providing for three options:

- a) extension of the amortisation period from 18 to 50 years;
- b) “repeat redemption” of goodwill redeemed at 3% by applying an increase on the basis of the rate brackets governed by the ordinary provisions of Article 176 of TUIR;
- c) revocation of the redemption transaction, according to the methods to be established by order of the Italian Tax Authorities, applying for a refund for or offsetting the sums already paid.

In 2021, Banca Generali also proceeded to exercise the option to carry out the following realignments of the carrying and tax values of goodwill, trademarks and other intangible assets:

- › realignment of misalignments resulting from previous years’ goodwill stated in the Financial Statements at 31 December 2019, pursuant to Article 110 of Law Decree No. 104/2020 (so-called “August Decree”), as amended by the 2021 Budget Law, through payment of a 3% substitute tax, and subsequent right to benefit from the ensuing off-balance sheet amortisation in the ordinary period of 50 years;
- › realignment of the carrying values for goodwill, trademarks and intangible assets, resulting from the merger — effective 1 January 2020 for accounting and tax purposes — of the subsidiaries Nextam Partners S.p.A. and Nextam Partners SGR, carried out pursuant to:
 - Article 15 of Law Decree No. 185/2008 (special redemption), by payment of a substitute tax of 16% and subsequent amortisation over 5 years;
 - Article 176, paragraph 2-ter, of TUIR (ordinary redemption), limited to intangible assets, with payment of a substitute tax based on related tax brackets (12%-14%) and recognition of amortisation throughout the residual life of the intangible asset.

⁴ The following additional legislation was recently passed on this subject:

Article 1, paragraph 1079, of Italian Law No. 145/2018 (2019 Budget Law) introduced a change to the amortisation rates of goodwill and other intangible assets that gave rise to the recognition of deferred tax assets subject to the paragraphs 55, 56-bis, 56-bis.1 and 56-ter of Article 2 of Italian Law Decree No. 225 of 29 December 2010 not yet deducted until the tax period in progress at 31 December 2017 in ten variable annual instalments from 31 December 2019 — from 2019 (5%) to 2020 (3%) — and until 31 December 2029 (10%), without prejudice to previously applicable amortisation, where of a lesser amount;

Article 23 of Italian Law Decree No. 98/2011 (paragraphs 12-14) had introduced the possibility of proceeding with “special” redemption (new paragraph 10-ter of Article 15 of Italian Decree Law No. 185/2008) of goodwill and other intangible assets recognised solely at the consolidated level before 31 December 2010, by paying a substitute tax of 16% and deducting the related amortisation in ten annual instalments starting on 1 January 2013. However, **Article 1, paragraph 502, of Italian Law No. 228 of 24 December 2012** (2013 Financial Law) then deferred the deductibility of amortisation charges from the tax period after that in progress at 31 December 2017, with a suspension of amortisation of five years, followed by a further change in 2018 (see previous note);

Article 1, paragraph 714, of Italian Law No. 160/2019 (2020 Stability Law) then provided for the deferral of the deduction of the 5% share of the portion of negative components referring to amortisation charges relating to the value of goodwill and other intangible assets, originally provided for 2019, to the tax period in progress at 31 December 2025 and the four following periods.

⁵ The goodwill of BG Fiduciaria was redeemed on 30 November 2011, but became effectively deductible only in financial year 2020, at the rate of 3% instead of the original 10%.

The accounting treatment of the payment of substitute tax on goodwill is susceptible to varying interpretations, given that there is no specific provision of IAS 12 regarding the taxable element of goodwill after initial recognition. IAS 12 merely prohibits the recognition of deferred tax assets on initial recognition of goodwill from acquisitions not relevant for tax purposes.

The analyses conducted by the OIC (Italian Accounting Standard Setter) — summarised in application document No. 1 of 27 February 2009 entitled “*Accounting treatment of substitute tax on the redemption of goodwill in accordance with Article 15, paragraph 10, of Law Decree No. 185 of 29 November 2008 (converted into Law No. 2 of 28 January 2009) for entities that prepare financial statements in accordance with IAS/IFRS*”, which can however be extended to other special redemption cases envisaged by tax laws — have led to three different accounting treatments being considered compatible with IFRS:

1. recognition through profit and loss of substitute tax only, without recognising deferred tax assets;
2. immediate recognition through profit and loss of both substitute tax and the deferred tax assets representing the future tax benefit; and
3. recognition of substitute tax as a tax credit under assets and subsequent recognition through profit and loss over the years to coincide with the off-balance deduction of the redeemed amortised amounts.

In this regard, it should be noted that the accounting policy adopted by Banca Generali is based on the second method, which allows the attribution of the entire tax benefit, equal to the difference between the substitute tax paid and the deferred tax assets recognised (IRES and IRAP) during the year to which the redemption transaction refers.

During the years in which the redeemed goodwill is deducted on a straight-line basis, the entity releases the previously recognised deferred tax assets to profit and loss on a straight-line basis, in accordance with the specific system adopted (ten or eighteen amortisation instalments), thereby neutralising the decrease in current taxes.

Any impairment losses to the goodwill are not relevant to measuring the recognised deferred tax asset, provided that the value of that asset continues to be believed to be recoverable on the basis of future taxable income.

With regard to the realignment performed pursuant to Article 110 of Italian Law Decree No. 104/2020, DTAs that may be recovered over a longer time horizon than the ordinary off-balance amortisation of 18 years have not been recognised in the financial statements.

10. Provisions for liabilities and contingencies

Provisions for commitments and guarantees issued

The sub-item of provisions for liabilities and contingencies in question includes provisions for credit risk recognised on the basis of loan commitments and guarantees issued that come within the scope of application of impairment rules pursuant to IFRS 9. Such cases are generally subject to the same methods of allocation to the three credit risk stages and calculation of expected losses presented in regard to financial assets measured at amortised cost or at fair value through other comprehensive income.

Other provisions

Other provisions for liabilities and contingencies include allocations relating to provisions for legal contractual or non-contractual obligations or legal disputes, including tax disputes, arising from a past event where fulfilment of such obligation is likely to require an outflow of financial resources, provided that the amount of the outflow can be reliably estimated.

Therefore, a provision is recognised only when:

- › there is a present obligation (legal or constructive) as a result of a past event;
- › it is likely that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- › a reliable estimate can be made of the amount relating to the fulfilment of the obligation.

The amount recognised as provision corresponds to the best estimate of the expenditure required to settle the obligation existing at the reporting date and accounts for all the risks and uncertainties that are inevitably entailed in certain events and circumstances.

Where the effect of the time value of money is material, provisions are discounted using current market rates. Provisions and increases due to the time value of money are recognised in the profit and loss account.

Provisions are periodically reviewed and, where necessary, adjusted to reflect the best current estimate. If, upon review, it is determined that it is unlikely that a cost will be incurred, the provision is reversed.

Other provisions for liabilities and contingencies include, in particular:

- › provisions for contractual indemnities for the Financial Advisor Network (termination indemnity, portfolio overfee indemnity, management development indemnity, and other similar indemnities), measured according to the actuarial of financial method;
- › provisions for Financial Advisors and Relationship Managers serving the obligations assumed in relation to the *2017-2026 Framework Loyalty Programme for the sales network*;

- › several types of provisions for incentive or recruitment bonuses (recruitment plans) for Financial Advisors;
- › provisions for long-term employee benefits;
- › provisions for restructuring plans.

In some circumstances, provisions for liabilities and contingencies (e.g., charges relating to staff expenses) have been presented in a separate item of the profit and loss account to best reflect their nature.

Termination indemnity for Financial Advisors

The provision covering the cost of termination indemnities for Financial Advisors is assessed in compliance with IAS 37 according to an actuarial approach, pursuant to the law (Article 1751 of the Italian Civil Code) and the specific disbursement criteria set by the Bank.

In detail, the indemnity to be paid to a Financial Advisor is calculated on the basis of the annual average direct and indirect fees paid to the Financial Advisor during his or her final five years of service (Article 1751 of the Italian Civil Code), net of:

- a) the total amount paid to Enasarco's retirement bonus fund (FIRR) each year by the Bank until the date of termination;
- b) the contractual lump-sum reduction which gradually declines with the length of service at the date of retirement or termination (with the exception of cases of death and permanent disability).

In cases of withdrawal for cause with service, the indemnity may be further reduced as a function of the decline in AUM during the post-termination observation period.

The assessment is then conducted according to actuarial methods on the basis of demographic parameters, expected turnover rates, with and without the right to service, assumptions regarding the age of entry into the compulsory general insurance (AGO) system and the retirement age.

The procedure also takes account of:

- a) the percent fee reduction expected as a function of the estimated period of past service at the date of termination;
- b) the prospective termination indemnity fund (FIRR), i.e., the payments that the Bank is to make each year directly to the Enasarco Foundation by way of termination indemnity contributions for the Financial Advisor's entire period of service and that, in the end, are to be deducted from the gross indemnity owed.

Portfolio overfee indemnity

The portfolio overfee scheme calls for Financial Advisors with at least five years of service who leave service permanently due to retirement, serious disability, death or voluntary removal from the Register to be entitled to an indemnity commensurate to the profitability of the portfolio previously managed.

The indemnity, which is governed by an appendix to the agency agreement, is only due on the condition that the outgoing Financial Advisor formally undertakes to conduct a hand-over to an incoming Financial Advisor identified by the Company and discharges the obligation for removal from the Register. Conversely, the incoming Financial Advisor undertakes to pay the Company an indemnity commensurate to that obtained from the outgoing Financial Advisor.

In relation to recent market practices in the area, a thorough contractual revision of the scheme entered into effect on 1 January 2012 was carried out.

The system introduces a rule, namely that the indemnity collected by the outgoing Financial Advisor is to correspond exactly to the indemnity paid by the recipients of the hand-over; thus limiting the principal's role to the service represented by handling the cash flows between the parties.

Therefore, on the basis of the new rules, the outgoing Financial Advisor may only collect the agreed indemnity provided that it has actually been paid to the Bank by the incoming Financial Advisor, thereby fostering greater involvement of the interested parties in the successful completion of the transaction and an appropriate hand-over of customer relationships.

However, the Bank's guarantee is maintained in cases of the reassignment of customer relationships due to the death or permanent disability of the Financial Advisor to whom they had been assigned. In such cases, the Bank will immediately pay out the entire indemnity to the outgoing Financial Advisor's beneficiary or heirs and then recover the amount from the incoming Financial Advisors under an instalment plan, in the reduced amount of 75% in consideration of the increased expense associated with the impossibility of conducting an appropriate hand-over.

The specific provision covering the obligations associated with the scheme is determined through an assessment conducted according to statistical and actuarial methods on the basis of an estimate, carried out through IT procedures, of the development coefficient for the assets managed by the Financial Advisors at the reference date, the historical percentages of indemnity payouts, network turnover rates and other demographic, social security and financial variables.

According to IAS 1, paragraph 234 b), provisions are presented net of contractually established reimbursements to be provided by incoming Financial Advisors.

Framework Loyalty Programme for the Sales Network

The aggregate referring to provisions for long-term contractual indemnities also includes the provision covering the 2017-2026 Framework Loyalty Programme for the Sales Network ("Framework Programme"), approved by the Board of Directors on 21

March 2017 and ratified by the General Shareholders' Meeting on 20 April 2017. Said Programme is aimed at improving the retention of the Network and the customers acquired over time and creating value for the Group by attracting stable, high-quality net inflows.

The Framework Programme originally provided for the possibility to activate during the 2017-2026 period eight individual annual plans set to expire on 31 December 2026 and of decreasing lengths, from a maximum of eight years to a minimum of one year, with the authorisation of Banca Generali Group's corporate bodies and in accordance with its remuneration policies. However, it should be noted that Banca Generali decided to suspend the implementation of the above Loyalty Framework Programme, for which the sixth 2022-2026 cycle was therefore not activated.

The Framework Programme called for an indemnity to be paid to Financial Advisors and Relationship Managers with a minimum level of seniority of service who met certain AUM and net inflow parameters at the end of the year of activation of the plan in which they participated. The indemnities thus accrued in respect of the individual plans will be disbursed cumulatively to the beneficiaries, in accordance with the Banking Group's current remuneration policies, in the first half of 2027, within 60 days of the approval of the 2026 Financial Statements.

However, departure from the Banking Group's scope entails the loss of entitlement to disbursement of the bonuses accrued, except in the event of death, permanent disability or eligibility to receive a pension. Even in the above circumstances, the indemnity will still be paid at the end of the Programme.

A part of the bonus, up to 50% of its value, for each of the individual plans in the Framework Programme may be paid in Banca Generali shares. In accordance with the Banking Group's Remuneration Policy, the number of shares is determined according to the average price of Banca Generali shares during the 90 days prior to the date of the meeting of the Board of Directors called to approve the draft Financial Statements for the year prior to that of activation of the individual plan. The Banca Generali shares for each individual plan are thus purchased on the market after authorisation is granted, from one year to the next, by the corporate bodies (Board of Directors and General Shareholders' Meeting) and the Regulator, and are cumulatively assigned to beneficiaries.

The amount of the provision for the portion of the indemnity to be paid in cash is measured on the basis of the indemnity accrued as at the reporting date, taking account of the time value of money for the period until the date of disbursement and the forecast rate of turnover, without entitlement to benefits, for the beneficiary population. The portion to be paid in shares is subject to the accounting treatment provided for in IFRS 2 and accrues annually in proportion to the length of the vesting period for the various annual plans activated.

In addition, following the suspension of the Programme, in July 2022 an advance on the bonuses to be paid in cash as provisioned for and revalued as at 30 June 2022 was paid to the beneficiaries of the annual plans already activated, for a total amount of 34.2 million euros. This advance is tied to the right to receive the bonus and will therefore definitively accrue in the first half of 2027 following verification of the vesting conditions established by the Programme.

Three-year Incentive Plan

The 2022-2024 three-year incentive plan, approved by the Board of Directors on 18 March 2022, is in addition to the annual incentives for the Financial Advisor Network and is tied to the achievement of both several overall objectives set at the Banking Group level in terms of total net inflows and recurring fee income, established in the Strategic Plan, and individual objectives.

In particular, at the end of the Plan no incentives may be disbursed without full achievement of the three-year net inflow targets and of at least 90% of the cumulative recurring fee target at the end of 2024.

At the level of the individual beneficiary, accrual of the bonus is tied to individual net inflow and advanced net inflow targets on a three-year basis to be reached collectively, with a floor below which the incentive is not awarded.

Special rules also apply to Financial Advisors eligible to participate in the previous Loyalty Framework Programme, for which a bonus floor applies, to be paid at the end of the three-year period if other conditions are met, but only in the absence of net outflows.

All Financial Advisors, Relationship Managers and Network Managers in service at 31 December 2019 are entitled to the three-year incentives.

The three-year bonus will be paid in 2026, provided that on 31 December 2025 the net inflow targets reached are no less than 90% of net inflows reached at the end of the three-year plan period.

The incentives accruing on a multi-year basis, tied to net inflow targets, qualify as costs of obtaining a contract pursuant to IFRS 15 and are expensed over a five-year period, like other similar incentives granted to the Financial Advisor Network.

The accrual of the bonus at the end of the three-year period is contingent on achieving the Banking Group access gates, as defined by the Remuneration Policy.

In addition, the Plan calls for the payment of the cash bonus only, with the sole exception of beneficiaries qualifying as Key Personnel in the three-year period, to whom the specific provisions of the Remuneration Policies (deferral, shared-based payment, etc.) apply.

11. Financial liabilities measured at amortised cost

Classification

Due to banks, Due to customers and Debt securities outstanding issued include the various forms of interbank funding and direct customer inflows, as well as funding through certificates of deposit and the issue of bond securities, net of any amounts repurchased.

Due to banks and Due to customers also include operating debts from financial services.

Recognition

These items are initially recognised when funding is received or the debt securities are issued.

Initial recognition is at the fair value of the liabilities, which is normally the amount received or the issue price plus any costs or income directly attributable to the each funding transaction or issuance and not repaid by the creditor. Internal general and administrative expenses are excluded.

For financial liabilities issued below market value, the fair value is estimated and the difference with respect to the market value is recognised directly in the profit and loss account.

Measurement

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method, with the exception of short-term liabilities where the time value of money is not material. These are measured at the amount received, and any costs incurred are recognised in the profit and loss account on a straight-line basis for the contractual duration of the liability.

Derecognition

Financial liabilities are written off when they mature or are settled, or when previously issued securities are repurchased. The difference between the carrying amount of the liability and the amount paid for repurchase is recognised in the profit and loss account.

Placing securities again on the market after their repurchase is considered a new issue; such securities are therefore measured at the new placement price without any effect on net profit and loss.

12. Financial liabilities held for trading

This item includes the negative value of trading derivative contracts measured at fair value.

If the fair value of a financial asset falls below zero due to trading, it is recorded as a financial liability held for trading.

13. Financial liabilities designated at fair value

There are currently no financial liabilities measured at fair value.

14. Foreign currency transactions

Initial recognition measurement criteria

On initial recognition, foreign currency transactions are recorded in the functional currency using the exchange rate at the date of the transaction.

Subsequent recognition measurement criteria

At each annual or interim reporting date, monetary items denominated in foreign currency are translated using the exchange rate as follows:

- › monetary items are translated using the exchange rate at the reporting date;
- › non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- › non-monetary items that are measured at fair value are translated using the exchange rate at the reporting date.

Exchange rate differences that result from the settlement of monetary items or the translation of monetary items at a rate that is different from the one used for initial translation or for translating the previous year's Financial Statements are recognised through profit or loss in the period in which they arise.

15. Other information

Cash and deposits

The portion of the balance of the settlement account held with the Bank of Italy that is not restricted according to the mandatory reserve rules is recognised as demand deposits with the Central Bank and has therefore been reclassified to item 10 of the Balance Sheet, Cash and deposits.

Treasury shares

Treasury shares are recognised at their purchase cost under a specific item as a reduction to net equity and are not subject to measurement. Where subsequently sold, any difference between the purchase cost and sale price is recognised among the components of net equity.

Equity instruments

Equity instruments are instruments that represent an equity interest in the Bank pursuant to IAS 32.

The classification of an instrument issued as an equity investment requires the absence of contractual obligations to make payments in the form of repayment of principal, payment of interest or other forms of return.

In particular, instruments that present the following characteristics are classified as equity investments:

- › duration is unlimited or equal to the company's duration;
- › the issuer has full discretion over paying coupons or repaying principal, including prematurely.

This category also includes Additional Tier 1 instruments compliant with the provisions of Regulation (EU) No. 575/2013 (CRR) on the prudential requirements for credit institutions and investment firms that, in addition to presenting the characteristics described above, in any event:

- › allow the issuer to retain full discretion over whether to recognise a reversal of nominal value (write-up) following a capital event that has resulted in a decline in nominal value (write-down);
- › do not incorporate must-pay clauses for the issuer as a result of authentic events within the parties' control.

Equity instruments other than ordinary or savings shares are classified to item "140. Equity instruments" in the amount received, inclusive of the transaction costs that are directly attributable to the transaction concerned.

Any coupons paid and dividend accruals, net of the related taxes, are deducted from item "150. Reserves".

Any differences between the amount paid to discharge or repurchase these instruments and their carrying amount are recognised in item "150. Reserves".

Repurchase agreements

Securities received under a transaction involving a contractual obligation to resell said securities and securities delivered under a transaction involving a contractual obligation to repurchase said securities are not recognised and/or derecognised inasmuch as the associated risks/rewards are not transferred.

Consequently, if securities are purchased under a resale agreement, the amount paid is recognised as a loan to customers or banks. If securities are sold under a repurchase agreement, the liability is recognised as an amount due to banks or customers. Investment income, in the form of coupons accrued on securities and the difference between the spot and forward price of said securities, is recognised to the profit and loss account items associated with interest on an accrual basis.

Leasehold improvements

Costs associated with refurbishing properties owned by third parties are capitalised due to the fact that, for the duration of the lease, the company using the property has control of the assets and can therefore receive the related future economic benefits. The above costs, which have been classified among "Other assets", as required by the Bank of Italy's Instructions, are amortised for a period that may not exceed the term of the lease agreement.

Leases (IFRS 16)

As lessee

At the inception of a contract, the Group must assess whether it is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset in exchange for consideration for a period of time.

In addition to lease contracts, recognised as such, the definition of "lease contract" also includes rental, loans for use and all other contracts that may contain a lease.

For each contract that is, or contains, a lease, the Group allocates the agreed consideration to the following, on the basis of the individual prices of each transaction:

- › the lease components (pure lease payment);
- › the components relating to other services to be recognised according to other standards (e.g., condominium fees, non-deductible VAT, late payment interest, duty stamps, insurance expenses, vehicle maintenance costs, etc.).

The Group settles the lease components separately from the other service components, unless it is not readily feasible to do so.

The Group recognises a Right of use and the related lease liability for all lease contracts in which it is the lessee, except for:

- › short-term contracts (i.e., lease contracts with a term of 12 months or less); and
- › leases of low-value assets (assets with a value of less than 5,000 euros when new).

The Group accounts for payments relating to the latter as operating expenses on a straight-line basis over the term of the contract, unless another method is more representative.

Lease liabilities

Lease liabilities are initially recognised at the present value of the lease payments that are not paid at the commencement date of the lease, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, at the lessee's incremental borrowing rate.

Since most lease contracts entered into by the Group do not include an implicit interest rate, the discount rate to be applied to future lease payments is generally based on the risk-free rate for the currency in which the contracts are denominated, applicable by maturity, commensurate to the term of the contract concerned, plus a specific credit spread applicable to the lessee.

In particular, the risk-free rate curve (swap curve) is used, with the addition of a spread representative of the Insurance Group's credit risk, calculated periodically on the basis of the quoted prices of credit default swaps (CDSs) referring to the parent company, Assicurazioni Generali.

The lease payments accounted for in the value of the lease liability include:

- › fixed payments, including lease payments contractually structured as variable but essentially fixed (in-substance fixed payments), less any incentives received from the lessor;
- › variable lease payments that depend on an index or a rate (e.g., inflation), initially measured using the index or rate as at the commencement date of the contract;
- › amounts expected to be payable by the lessee under residual value guarantees, where provided for by contract;
- › the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option;
- › payments of penalties for terminating the lease prematurely, if the lease term reflects the lessee exercising an option to terminate the lease, and exercise of the option is deemed reasonably certain.

After initial recognition of the lease liability at amortised cost, the carrying amount of the liability is increased by the interest on the lease (according to the effective interest method) and decreased to reflect the payments made under the lease contract.

The Group remeasures the balance of the lease liability (and applies an adjustment to the corresponding value of the Right of use, where significant) if either:

- › there is a change in the lease term or there is a change in the assessment of an option right, in which case the lease liability is remeasured by discounting the lease payments at the revised discount rate;
- › there is a change in lease payments resulting from a change in an index or a rate or there is a change in the amounts expected to be payable under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments at the initial discount rate (unless the change in lease payments results from a change in floating interest rates, in which case a revised discount rate is used);
- › a lease contract has been modified and the modification does not qualify for recognition as a separate contract, in which case the lease liability is remeasured by discounting the revised lease payments at the revised interest rate.

Rights of use

The Group recognises rights of use and the related lease liabilities at the commencement date of the contract.

Right-of-use assets are initially measured at cost, including:

- › the initial measurement of the lease liability;
- › the lease payments made at or before the commencement date of the contract;
- › initial direct costs incurred to obtain the contract (legal, notarial, real-estate agency, etc.).

A provision for risks is recognised and measured according to IAS 37 when the Group is obligated to bear the costs of returning an asset in a condition required by the terms of the contract. This cost is included in the value of the Right of use.

The Right of use is then recognised net of depreciation and any impairment losses.

The Right of use is depreciated on a straight-line basis over the period from the commencement date of the contract to the sooner of the end of the lease term and of the residual useful life of the underlying asset.

If the lease contract transfers ownership of the relevant asset or the cost of the Right of use reflects the Group's intention to exercise the purchase option, the Right of use is depreciated over the useful life of the asset.

The Group applies IAS 36 – *Impairment of Assets* to identify the presence of any impairment losses.

Variable lease payments that do not depend on an index or a rate are not included in the value of the lease liability or the value of the Right of use. The related payments are recognised on an accrual basis and are included in item “Other operating costs” of the Profit and Loss Account.

As lessor

The Group does not act as lessor in lease transactions.

Share-based payments

These are payments to employees or other similar persons, such as Financial Advisors, as consideration for services rendered, based on the equity instruments of the banking or ultimate parent company.

Such plans may provide for either:

- › the right to subscribe for rights issues at a pre-determined price (stock-option plans);
- › the free assignment of a certain number of shares, generally repurchased (stock-granting plans).

In accordance with IFRS 2 – *Share-Based Payments*, share-based benefit plans for personnel and Financial Advisors are recognised as costs on the Profit and Loss Account based on the fair value of the shares on the assignment date, spreading out the charges over the period covered in the plan.

In light of the difficulty inherent in reliably measuring the fair value of the services received in return for equity instruments, reference is made to the fair value of such instruments measured at the assignment date.

The fair value of options is measured using a model whose inputs are exercise price, time to maturity, the current share price, expected volatility, expected dividend, the risk-free interest rate, and the specific features of the plan in effect. The pricing model measures distinctly the option and the probability that the conditions on which basis the option was assigned will be realised. The combination of the two amounts generates the fair value of the assigned instrument.

In cases of stock-granting plans, the fair value of the shares granted is determined on the basis of market prices on the date of the resolution of the Shareholders' Meeting authorising the plans.

Any reduction in the number of financial instruments assigned is recognised as a cancellation of part of them.

Charges relating to shared-based payment plans are recognised as a cost for the period in the profit and loss account under item 190.a) “General and administrative expenses: staff expenses”, where they relate to employment services, and under item 50. “Fee expense”, where they relate to contractual relationships with Financial Advisors. In both cases, such charges have their counter-entry in item 150. “Equity reserves”⁶.

Employee termination indemnities

Employee termination indemnities, which are governed by Article 2220 of the Italian Civil Code, constitute “**post-employment benefits**” as defined in IAS 19 – Employee Benefits.

Following the entry into force of Italy's 2007 Finance Law, which brought forward to 1 January 2007 the supplementary pension reform enacted by Italian Legislative Decree No. 252 of 5 December 2005, the portions of employees' termination indemnities accrued starting from 1 January 2007 must — depending on the employees' choice — be allocated to a supplementary pension fund or maintained within the company and — in the case of companies with at least 50 employees — transferred to a special fund managed by Italy's national security institute (INPS).

Accordingly, obligations to employees have taken on a twofold nature from an accounting standpoint:

- › “a defined contribution plan” for termination indemnities accrued by personnel starting on 1 January 2007 whether the employee chooses to redirect such amount to a supplementary pension fund or allocate it to the INPS treasury fund. For such portions, the amount recognised amongst staff expenses is determined on the basis of the contributions owed, without the application of actuarial calculation methods. The portions paid to supplementary pension funds are recognised in the specific item, whilst the portions paid to the INPS fund are reclassified to the item “employee termination indemnities” by convention;
- › “a defined-benefit plan” for the portion of termination indemnities accrued by personnel through 31 December 2006, which is thus recognised on the basis of the actuarial value of the expected future benefit, determined according to the “**projected unit credit method**”.

⁶ For further information on the accounting treatment and the characteristics of the individual plans, including quantitative information, reference should be made to Part I — Payment Agreements Based on Own Equity Instruments of these Notes and Comments.

According to this method, the amount already accrued is to be increased by the unit amount accrued annually (current service cost) projected into the future through the date of expected termination of employment then discounted at the reference date. The unit amount accrued is also determined on the basis of the employee's entire expected working life.

In the specific case, however, the past liability is assessed without pro-rating past service because the service cost of the termination indemnity has already fully accrued. Accordingly, the annual accrual consists solely of the interest cost relating to the revaluation of the expected benefit due to the passage of time.

The rate used for discounting is determined by reference to market yields on high quality corporate bonds, taking into account the average time-to-maturity of the liability, and calculated using the percentage paid and advanced for each contractual period compared to the total amount to be paid and paid in advance until the final settlement of the entire obligation.

Considering that IAS 19R requires that the discount rate is to be determined by reference to the yields on "high-quality corporate bonds," it was decided to use the IBOXX EURO CORP index, formed of AA series.

The plan's service costs have been recognised amongst staff expenses under item "provisions for termination indemnity."

Following the entry into force of IAS 19R, from 1 January 2013, with the aim of improving financial statement comparability, it was decided to eliminate the option of adopting different treatments for **actuarial gains and losses** deriving from the assessment of the obligation, i.e., decreases or increases in liabilities deriving from changes in the parameters used for the actuarial assessment (change in the discount rates, estimate of expected staff turnover rates, salary increases, etc.).

In fact, changes in liabilities due to actuarial assessments are now required to be mandatorily recognised in full in the other comprehensive income, and thus with a balancing entry to an equity reserve, net of the associated tax effect.

By contrast, in the previous accounting arrangement adopted by the Bank the above item had been recognised in the profit and loss account according to the corridor method, i.e., the amount of cumulative actuarial gains/losses resulting at the end of the previous year in excess of 10% of the present value of the benefits generated by the plan.

The elimination of this method entailed an impact on the Bank's net equity from the date of first-time adoption of the new Standard due to the recognition of actuarial gains or losses not previously booked in application of the corridor method.

In addition, actuarial assessments of the provision are conducted net of the 11% substitute tax and 0.50% contribution, which are thus reclassified to the profit and loss account during the year of accrual under a specific item.

Productivity bonuses for salaried employees

Productivity bonuses to be paid to salaried employees during the following year are generally to be allocated to the item "Other liabilities."

More specifically, in accordance with IAS 19 – Employee Benefits, the following are allocated to current liabilities:

- › the share of variable remuneration to be paid to managers and employees for which there are legal obligations that may be reliably estimated, such as bonuses relating to the supplementary company agreement, managerial bonuses associated with balance scorecards (MBO) and other individual incentive plans of a contractual nature, such as those for sales personnel and managers;
- › incentives not subject to contractual agreement for which there is objective evidence of their customary nature, giving rise to a constructive obligation for the Bank.

For these items, a reliable estimate has been prepared of the expense owed to staff under the formal conditions of the individually assigned incentive plans and the probability that the quantitative and qualitative targets set out therein will be met.

Pursuant to IAS 19, the Company also recognises among staff expenses in the Profit and Loss Account the following types of expenses that do not constitute certain short-term liabilities and thus have the item for provisions for liabilities and contingencies as their balancing entry in the balance sheet:

- › the share of the variable remuneration of managers of the Banking Group deferred up to five years, and conditional upon the satisfaction of the access gates requirements established in the Banking Group's new remuneration policy.

Expenses functionally related to staff

In accordance with IAS 19, item 190 a) "Staff expenses" only includes costs representing remuneration for professional services rendered, thus excluding those representing pure reimbursement of the expenses incurred by the employee for the benefit of the enterprise in the performance of professional activity.

Accordingly, indirect expenses functionally related to activity performed by staff are recognised under item 190 b) "Other general and administrative expenses". Such expenses also include:

- a) documented, specific reimbursements of the costs of room and board incurred by employees during business trips;
- b) documented, specific mileage reimbursements, calculated on the basis of rates recognised as valid (e.g., Automobile Club d'Italia) and the mileage actually travelled;
- c) costs of check-ups conducted when staff are hired and the costs of compulsory examinations of staff required by law.

By contrast, amongst other items, the costs of professional refresher courses for employees continue to be recognised under staff expenses.

Recognition of revenues and costs

Revenues are recognised when they are realised or when it is probable that the related future benefits will be received and such benefits can be reliably measured. More specifically:

- › interest payable is recognised on a pro-rated basis according to contractual interest rate, or the effective interest rate if amortised cost is used;
- › default interest accrued on the basis of contractual terms is recognised in the profit and loss account only when received;
- › dividends are recognised in the profit and loss account when dividend payout is approved;
- › service revenue fees are recognised, on the basis of the existence of contractual agreements, during the period in which the services in question are rendered; in further detail, trading fees on securities trading are recognised when the service is rendered. Portfolio management, advisory and mutual fund management fees are recognised according to the length of the service. Fees considered among amortised cost for the purposes of determining the effective interest rate are excluded and are recognised among interest.

Costs are taken through profit or loss during the periods in which the associated revenues are recognised. If the above matching can only be done generally or indirectly, then the costs are allocated to more than one accounting period according to rational procedures and on a systematic basis. Those costs that cannot be matched with the related revenues are immediately taken through profit and loss.

Recognition of the costs of obtaining and fulfilling a contract

Beginning from the end of 2018, the amortisation period for acquisition and fulfilment costs for contracts with customers was modified from a time horizon based on the payback criterion to a time horizon more consistent with the average duration of contractual relationships with customers, determined to be five years.

These changes, implemented in part owing to the greater flexibility of IFRS 15, made it possible to align the accounting treatment of incremental costs paid to Financial Advisors in relation to the organic growth of assets under management with the treatment of recruitment incentives tied to the acquisition of new customers (amortised over five years), thereby ensuring a more effective correlation between total fee expenses and the fee income generated by customer investments.

In particular, the modification affected the accounting treatment of ordinary sales incentives tied to the net inflow targets paid to the Financial Advisor Network, which had been previously accounted for according to the practical expedient of taking them in full to the profit and loss account for the year.

The modification, which qualifies as a change in accounting estimate in respect of the amortisation period for incentives, was applied prospectively in accordance with IAS 8.

Calculation of impairment losses

Impairment losses of financial assets

At each reporting date, in accordance with IFRS 9, financial assets other than those measured at fair value through profit or loss are tested for evidence that their carrying amounts may not be fully recoverable. Similar tests are also performed for loan commitments and guarantees issued that come within the scope of impairment testing pursuant to IFRS 9.

Where such evidence of impairment exists, the financial assets in question are considered impaired and included in stage 3, along with all remaining assets associated with the same counterparty, if any. Such exposures, represented by financial assets classified, in accordance with Bank of Italy Circular No. 262/2005, as bad loans, unlikely-to-pay loans and exposures past-due by more than 90 days must be accounted for by recognising impairment losses equivalent to the expected losses over their entire residual lifetimes.

Impairment losses of performing financial assets

For financial assets for which there is no evidence of impairment (performing financial instruments), it must be verified whether there are any indicators that the credit risk associated with each transaction has increased significantly with respect to initial recognition. The consequences of this assessment, from the standpoint of classification (or, to be more precise, “staging”) and measurement, are as follows:

- › where such indicators exist, the financial asset is classified as stage 2. In such case, in accordance with international accounting standards, and despite the absence of a manifest decline in value, measurement involves recognising impairment losses equal to the expected losses over the financial instrument's entire residual lifetime;
- › where such indicators do not exist, the financial asset is classified as stage 1. In such case, in accordance with international accounting standards, and despite the absence of a manifest decline in value, measurement involves recognising impairment losses equal to the expected losses for the specific financial instrument over the following twelve months.

Such impairment losses are revised on each subsequent reporting date to verify periodically that they are consistent with constantly updated loss estimates and to take account of the changed forecasting period for calculating the expected loss, in the event of changes in indicators signalling a “significantly increased” credit risk.

With regard to the tracking of credit quality, in accordance with the provisions of the Standard and the Supervisory Authority's instructions as to how to apply the Standard in the case of less significant institutions, a detailed analysis was conducted for each relationship, whether in the form of a security or a loan.

To identify whether there has been a "significant deterioration" of credit quality since initial recognition and there is thus a need for classification to stage 2 and, vice versa, whether the conditions have been met for reclassification from stage 2 to stage 1, it has been decided to make a comparison, at each reporting date, between the credit quality of the financial instrument at the time of measurement and at the time of initial disbursement or purchase (stage assignment).

In view of the above, the factors that will be decisive when determining transitions between the various stages are as follows:

- › a change in rating class with respect to the moment of initial recognition of the financial asset. In other words, this is an assessment according to a "relative" criterion;
- › the presence of a position past-due by at least 30 days. Where such positions exist, in other words, the credit risk of the exposure is presumed to have "significantly increased" and the position is thus reclassified to stage 2;
- › the presence of forbearance measures, which entail the classification of the exposure as among those whose credit risk has "significantly increased" with respect to initial recognition.

Some particular considerations apply to the staging of securities. In the case of this type of exposure — as opposed to loans — purchase transactions following an initial purchase of securities with the same ISIN may be a customary part of ordinary management of such positions (resulting in the need to establish an approach to identify sales and redemptions to determine the residual balances of individual transactions with which to associate a credit quality/rating upon origination to be compared with that as at the reporting date). The "first-in-first-out" ("FIFO") method has thus been deemed to contribute to more transparent management of the portfolio, including from the standpoint of front-office personnel, thus also permitting assessments of credit-worthiness to be updated constantly on the basis of new purchases.

In addition, Banca Generali has adopted the low credit risk exemption (LCRE) provided for in IFRS 9 for certain financial assets, namely debt instruments issued by governments and public administrations. Accordingly, exposures that are rated investment grade or above as at the reporting date will be deemed low credit risk exposures and thus classified to stage 1.

Once exposures have been allocated to the various credit risk stages, expected credit losses (ECLs) are determined for each transaction or tranche of a security, on the basis of the parameters of probability of default (PD), loss given default (LGD) and exposure at default (EAD).

The measurement of financial assets also reflects the best estimate of the effects of future conditions — above all those of the economic context — with an impact on forward-looking PD and LGD.

Modifications to stage assignment

IFRS 9 requires that the assessment of expected credit losses on financial instruments measured at amortised cost allocated to the HTC and HTCS portfolios be closely connected to their inclusion in one of the three stages (credit risk stages), the last of which (stage 3) includes non-performing financial assets and the remainder of which (stages 1 and 2) include performing financial assets.

In particular, financial instruments are classified to stage 2 if on the reporting date they have undergone a significant increase in risk compared to origination, determined by reaching a rating class deemed excessively risky or by a significant rating notch difference.

In response to the Covid-19 emergency, international organisations and governments implemented extensive support programmes for the banking system and real economy, including, above all, the banking package promoted by the European Union and the public moratoria. The supervisory authorities also requested that financial institutions modify their processes for managing and hence for approving loans, so as to ensure, even in shock conditions, the proper assessment of temporary increases in risk profile, while also decreasing the procyclical effect of assessment models.

In adopting this regulatory framework, which thus views the Covid-19 emergency as a temporary phenomenon not destined to last over time, and in line with industry practices recently established amongst Italian financial institutions, the Banking Group decided to make significant changes to the current stage assignment model for the securities portfolio, as detailed below:

- › introduction of a module that formalises the legitimate use of temporary model changes in extraordinary conditions of use until conditions of normality are restored;
- › introduction of a rule against downgrading sovereign securities, where justified in terms of temporariness, validity, extraordinariness and severity; with regard to this latter point, a limit was identified in the form of a downgrade not resulting in a rating class lower than credit quality class 4 (equivalent to BB) (ECB Press Release of 22 April 2020);

- › replacement of the current rating assignment rule according to a predefined order (1. Moody's, 2. S&P and 3. Fitch) with the ECAI First Best Rating assignment rule, acknowledging that a security downgrade is only admitted if formulated unanimously by all rating agencies: Moody's, S&P, Fitch and DBRS;
- › addition of the ratings agency DBRS to the ECAIs Moody's, S&P and Fitch.

These changes are in line with the new regulatory requirement formulated in EBA "Statement on the application of the prudential framework regarding Default, Forbearance and IFRS 9 in light of COVID-19 measures", 25 March 2020, and in EBA "Guidelines EBA/GL/2020/02", 2 April 2020, which requires prudence in assessing the increase in risk profile, where not representative of the counterparty's long-term status.

Impairment losses of non-performing financial assets

Non-performing loans are measured as follows:

- › individual measurement of all exposures classified as bad loans;
- › individual measurement of all exposures classified as unlikely-to-pay (UTP) and overdrawn/past-due of amounts in excess of 10 thousand euros and secured positions under 10 thousand euros;
- › statistical measurement for all positions classified as unlikely-to-pay (UTP) and overdrawn/past-due below the above thresholds.

Individual measurement is performed by managers on individual positions on the basis of a qualitative and quantitative analysis of the debtor's financial performance and position, the risk level of the credit relationship and any mitigating factors (guarantees), while also taking account of the financial effect of the time estimated to be necessary for recovery.

In the case of bad loans in particular, significance is attached to a series of elements — present to varying degrees depending on the characteristics of the positions — to be assessed as thoroughly and prudently as possible, including, but not limited to:

- › the nature of the loan, i.e., preferred or unsecured;
- › the net assets of the obligors/third-party guarantors;
- › the complexity of ongoing or potential litigation and/or the underlying legal matters;
- › exposure of obligors to the banking system and other creditors;
- › most recent available financial statements;
- › legal status of obligors and pending insolvency and/or individual procedures.

Statistical assessments are conducted on the basis of the parameters set out in the ECB guidelines. Residual exposures of amounts beneath a predetermined threshold are fully written off.

The financial effect of time (time value) is not taken into account for exposures classified as overdrawn/past due by more than 90 days due to the high frequency of return to performing status in the short term.

Contributions to deposit guarantee systems and resolution mechanisms

Through Directives 2014/49/EU of 16 April 2014 and 2014/59/EU of 15 May 2014, respectively, the "Deposit Guarantee Schemes Directive (DGSD)" and "Bank Recovery and Resolution Directive (BRRD)", and the institution of the Single Resolution Mechanism (Regulation (EU) No. 806/2014 of 15 July 2014), European lawmakers made significant changes to the rules concerning banking crises with the strategic aim of strengthening the single market and ensuring systemic stability. As illustrated in further detail below, the above legislative changes had a significant impact on financial performance and financial position as a result of the obligation to establish specific funds with financial resources that must be provided by contributions from financial institutions starting in 2015.

Contributions deriving from the Deposit Guarantee Schemes Directive (DGSD)

Directive 2014/49/EU, effective as of 3 July 2015, harmonises the levels of protection offered by national deposit guarantee schemes (DGSs) and their methods of intervention, with the aim of eliminating possible competitive disparities within the European market. To that end, the Directive provides that national DGSs (in Italy, the Interbank Deposit Protection Fund or FITD) must endow themselves with means commensurate to the deposits protected, which must be provided through mandatory contributions from financial institutions. The new element for Italian banks is the new mechanism for financing the fund: the previous after-the-fact contribution system, in which funds had been requested in case of need, was replaced by a mixed system, in which funds must be paid in advance, so as to reach, within ten years of the entry into force of the Directive (3 July 2024), a minimum target level of **0.8% of the deposits guaranteed**.

The contributions from each entity are calculated as a function of the ratio of the amount of own deposits to the total protected deposits in the country.

Article 10 of Directive 2014/49/EU provides that contributions are to be paid by banks with at least annual frequency.

In its extraordinary meeting of 26 November 2015, the FITD then amended its Articles of Association to comply with the new contribution rules and regulatory framework.

The Directive was then transposed into Italian law through Legislative Decree No. 30/2016.

Contribution charges deriving from the Bank Recovery and Resolution Directive (BRRD)

Directive 2014/59/EU establishes the new resolution rules, applicable from 1 January 2015 to all European Union banks in a state of current or prospective default. These rules, which introduce the “bail-in” principle, require, under certain circumstances, that funding for resolution may also be supported by a national resolution fund instituted by each of the 28 European Union Member States and managed by a national resolution authority.

To that end, the Directive provides that the national resolution funds be endowed with financial means provided through mandatory advance contributions from authorised financial institutions.

In particular, the funds are to be paid in advance until reaching a minimum target level, over a period of ten years, i.e., by 31 December 2024, of **1% of guaranteed deposits**⁷.

The contributions from each entity are calculated as a function of the ratio of its total eligible liabilities, i.e., net of own funds and the guaranteed deposits, to the total liabilities of all authorised financial institutions in the country.

In this context, on 16 November 2015 Italian Legislative Decrees Nos. 180/2015 and 181/2015 were enacted, introducing the National Resolution Fund into the Italian legal system and assigning the Bank of Italy the role of National Resolution Authority.

In particular, Articles 78 *et seqq.* of Legislative Decree No. 180/15 provide that such funds are to be financed by, among other sources:

- a) ordinary contributions paid on an annual basis in the amount determined by the Bank of Italy in accordance with Directive 2014/59/EU (Article 103) and commensurate for the purposes of reaching the fund's target funding level;
- b) extraordinary contributions when ordinary contributions are insufficient to cover losses, costs or other expenses incurred to achieve resolution objectives, up to an amount of three times annual average ordinary contributions.

The European Single Resolution Fund (SRF) managed by the European resolution authority, formed within the ECB (Single Resolution Board – SRB) as part of the Single Resolution Mechanism (SRM), became effective on 1 January 2016.

Regulation (EU) 806/2014 specified that the Fund should reach a target level of means of at least 1% of the amount of the protected deposits of all authorised entities in the Banking Union in a period of eight years, from 1 January 2016 to 31 December 2023.

The contribution rules for the period 2016-2023 were established in Article 8 of Implementing Regulation No. 81 of 2015.

Accordingly, the banks of Member States of the Banking Union (including Italian banks) contributed to the National Resolution Fund in 2015 and to the Single Resolution Fund starting in 2016 (until 2023). During the initial period, when calculating each institution's individual contributions, this transfer was taken into account.

Accounting treatment of contribution charges deriving from the BRRD and DGSD

The accounting and reporting treatment applicable to contributions to resolution funds was the subject of the Bank of Italy's notice dated 20 January 2016, as well as of a notice dated 25 January 2017 specifically relating to “Additional contributions to the national resolution fund”.

Similar conclusions were reached by ESMA in its Opinion 2015/ESMA/1462 “Application of the IFRS requirements in relation to the recognition of contributions to Deposit Guarantee Schemes in IFRS accounts” of 25 September 2015 with regard to non-reimbursable cash contributions to be paid in advance into deposit guarantee funds.

For financial reporting purposes, reference should be made to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets and the Interpretation IFRIC 21 – Levies, which entered into force on 1 January 2015.

The Interpretation concerns the accounting treatment of a liability for a levy where the liability falls within the scope of application of IAS 37.

As defined in IFRIC 21, “a levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation”.

Obligations to contribute to the National Resolution Fund, in both ordinary and extraordinary form, are imposed by legislation, and thus fall within the scope of “levies” as defined in IFRIC 21.

IAS 37 and IFRIC 21 provide that a liability must be recognised when the obligating event that gives rise to a present obligation occurs. Since the Decree does not provide for contributions to be reduced or refunded to intermediaries, in whole or in part, whenever the obligating event occurs the liability relating to the contributions in question must be recognised for the full amount.

Since it is not possible to account for the liability through either an intangible asset pursuant to IAS 38 or a prepayment asset, the contributions must be recognised in profit and loss.

In this regard, the Bank of Italy has clarified that the item to which to classify such contributions, which for accounting purposes may be regarded as levies, is sub-item 160 b “General and administrative expenses – other general and administrative expenses” of the profit and loss account in the separate financial statements, and sub-item 190 b of the consolidated financial statements, which is also used to account for the indirect levies and taxes (paid and unpaid) accrued during the year.

⁷ Also in this case, in order to achieve the target level, the financial means provided by the credit institutions may include payment commitments up to a maximum of 30%.

Guarantee Fund for the Life Insurance Sector

Article 1, paragraphs 112-122, of the 2024 Budget Law provides for the establishment of a new Guarantee Fund for the Life Insurance Sector, with functions and characteristics substantially similar to those of the Interbank Deposit Protection Fund (FITD). The purpose of the Fund is to intervene in cases of compulsory administrative liquidation of member insurance undertakings, reimbursing the protected transactions up to a maximum amount of 100,000 euros to each entitled party.

The financial endowment will be constituted through contributions by members, so that it is proportionate to the Fund's liabilities and, in any case, equal to at least 0.4% of the amount of technical provisions (target level) to be gradually achieved starting from 1 January 2024 and by 31 December 2035 (12 years), of which four-fifths will be borne by insurance companies and one-fifth by intermediaries belonging to the Single Register of Intermediaries (RUI).

It was also established that, at the time of first application, the contributions due by insurance companies will be equal to 0.4‰ of the life insurance technical provisions, whereas those due by banks, brokerage companies (SIM), other financial intermediaries and Poste Italiane will amount to 0.1‰ of the intermediate life insurance technical provisions.

The General Meeting for setting up the Fund was held on 13 December 2024 at IVASS and appointed 3 members of the Executive Committee that will be tasked with drafting the Statute and calling in the ordinary contributions due in 2024.

On 30 December 2025, IVASS filed the Statute with the relevant Chamber of Commerce. With regard to the accounting treatment, on 18 December 2024, IVASS published a letter to the market concerning the methods for recognising in the consolidated financial statements and in the separate financial statements the ordinary and extraordinary contributions that member undertakings are required to pay to the Guarantee Fund for the Life Insurance Sector.

This letter outlined the same guidelines provided for by the Bank of Italy and ESMA in relation to the contributions paid pursuant to the BRRD and the DGSD.

Pursuant to Italian Law No. 213/2023, in 2025 the provisional Executive Committee called in the annual contributions due in 2024 to be paid by Members on the basis of their intermediate life insurance technical provisions at 31 December 2023.

Pending the calling of the General Meeting of the Members that will elect the Fund bodies and in view of the accounting deadlines applicable to 2025 financial statements, the provisional Executive Committee required the recognition of a financial statement item for contributions due in 2025 of an amount calculated with the same methods, which in the case of Banca Generali entail the use of its intermediate life insurance technical provisions at 31 December 2024. This amount will be subsequently reviewed based on the provisions of the Statute of the Fund and the relating implementing regulations.

Business combinations

Business combinations are regulated by the IFRS 3 – *Business Combinations*.

Based on this standard, any acquisition of companies is accounted for using the “purchase method”, whereby the assets, liabilities, and contingent liabilities of the acquired company are recognised at fair value on the acquisition date. Any positive difference of the price paid over fair value is recognised as goodwill or other intangible assets; if the price is less, the difference is recognised in the Profit and Loss Account.

The “purchase method” is applied as of the acquisition date, i.e., from the time effective control of the acquired company is obtained. Accordingly, the results of subsidiaries acquired during the year are included in the Consolidated Financial Statements from the date of acquisition. Also the profit and loss results of a subsidiary that has been disposed of are included in the Consolidated Financial Statements, up to the date control is transferred.

Business combinations of entities under common control are not included in the scope of IFRS 3, nor are they covered by other IFRS. They are accounted for in accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*.

The IAS/IFRS provide specific guidelines for transactions not covered by IFRS (described in paragraphs 10-12 of IAS 8); according to these guidelines, management is required to consider the most recent pronouncements of other regulatory bodies that use a similar conceptual framework to define accounting standards.

In fulfilment of this requirement, it should be noted that the Financial Accounting Standards Board (FASB) has published an accounting standard regarding business combinations (FAS 141) that in some respects is similar to IFRS 3. Unlike IFRS 3, however, FAS 141 includes an appendix containing limited accounting guidelines for transactions under common control that were previously included in the Accounting Principles Board's (APB) Opinion 16. According to the pooling of interest method, for this type of transaction the assets and liabilities of business combinations are stated at historical (book) value instead of fair value, and goodwill is not recognised.

This solution was essentially adopted at national level by Assirevi, with documents OPI No. 1R on the accounting treatment of business combinations of entities under common control, and OPI No. 2R on the accounting treatment of mergers.

Intra-group combinations or other combinations of entities under common control within Banca Generali Group are therefore accounted for based on the book value of the entity transferred. Any difference between the consideration paid for the acquisition of the equity interest and the book value of the entity transferred (based on the goodwill recognised) is deducted from the net equity of the acquirer, and the transaction is classified as an extraordinary distribution of reserves.

In a similar way, if an entity is disposed of, the amount received is directly recognised in an equity reserve, as it is a capital contribution by other companies of the Group to which it belongs.

Part A.4 – Information on Fair Value

With the introduction of IFRS 13, the definition of **fair value** has been modified with respect to IAS 39, with a view to a more market-based approach.

According to the new standard, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value is thus not an entity-specific measurement, but rather a market-based measurement.

In detail, measurement at fair value:

- › presumes that the asset or liability is exchanged in an orderly transaction between market operators under current market conditions;
- › refers to a particular asset or liability and must take account of the characteristics of the asset or liability that market participants take into account when pricing the asset or liability;
- › assumes that market participants act in their economic best interest;
- › assumes that the sale of the asset or the transfer of the liability takes place:
 - a) in the principal market for the asset or liability; or
 - b) in the most advantageous market, in the absence of a principal market.

Fair value hierarchy

International accounting standard IFRS 13 requires that financial assets be classified according to a hierarchy of levels (the “fair value hierarchy”) that reflects the significance of the inputs used in valuation:

- › **Level 1:** quoted prices (unadjusted) in an active market, as defined by IFRS 13;
- › **Level 2:** inputs other than the price quotations indicated above, observable on the market either directly (prices) or indirectly (price-derived data);
- › **Level 3:** inputs not based on observable market data.

For the purposes of the fair value hierarchy, inputs may thus be classified as:

- › **observable**, when the information used in the measurement techniques is based on market data obtained from sources independent of the Bank and available on the market;
- › **unobservable**, when they reflect assumptions by the Bank reached by drawing on the best available information in such circumstances.

Valuation criteria of the fair value of financial instruments

In 2010, Banca Generali adopted its Fair Value Policy, which sets out the procedures for measuring the fair value of financial instruments and entrusts responsibility for the measurement process to the Finance function and review and validation of the data to the Chief Risk Office.

The procedure lays down a decision-making process aimed at identifying the best measurement method in the context of the classification of available price sources in the three levels of the fair-value hierarchy.

The fair value of financial instruments is determined through the use of prices obtained from capital markets, if the instruments are quoted on active markets (mark-to-market approach) or through the use of valuation procedures for other financial instruments (mark-to-model approach), based on the analysis of recent transactions involving similar instruments (comparable approach) or, failing the latter, on valuation models.

When determining a financial instrument’s fair value, it is thus fundamental to verify whether the market on which that instrument is traded may be considered active, i.e., whether the quoted prices observed represent actual, regular market transactions undertaken during a normal reference period and are promptly and regularly available through exchanges, intermediaries, brokers, industry companies, quotation services and other authorised entities.

Bonds (government bonds and securitisations), equity securities and exchange-traded funds (ETFs) listed on regulated markets and listed financial derivatives are normally considered to be listed on an active market that meets the foregoing requirements.

However, quotation on a regulated or official market does not in itself guarantee the presence of significant prices owing to the limited, sporadic nature of transactions (illiquid securities) on certain securities exchanges, such as that of Luxembourg, whereas there are market types that are unregulated yet show significant daily exchanges in terms of volumes that are suitable to providing prices on an ongoing basis.

Accordingly, most bonds are considered listed on an active market if objective parameters such as the following may be observed:

- › an adequate number of counterparties that presents a minimum number of executable ask and bid offers;
- › a spread between the ask and bid price that falls within an interval deemed appropriate; and
- › continuity of quotations on both sides of the market.

For financial instruments listed on active markets, the current bid price is used for financial assets and the current ask price for financial liabilities.

For equity securities, ETFs and government bonds listed on regulated markets, for which the bid-ask spread is not particularly material, the official closing price for the last trading day is also used.

A.4.1 Fair value Level 2 and Level 3: valuation techniques and inputs used

Financial instruments measured at fair value on a recurring and non-recurring basis

Level 2 of the fair value hierarchy includes all financial instruments whose fair value, despite not being directly observable on the market, may be estimated using valuation models based on:

- › inputs directly observable on the market (e.g., executable prices, interest rates or yield curves observable within various buckets, volatilities, credit spreads, etc.);
- › inputs indirectly observable on the market or based on observable market data and supported by strong evidence of correlation with observable market data (market-corroborated inputs).

With regard to **bond securities** (including government bonds and securitisations), the price sources to be used, where available, to determine fair value in the absence of an active market are as follows:

- › Bloomberg Generic Number (BGN), which represents Bloomberg's market consensus price and is calculated using both executable prices and indicative prices contributed to Bloomberg;
- › the Bloomberg Valuation Service (BVAL), which provides a valuation of bonds based on a three-stage pricing process: 1) observation of market data; 2) analysis of observed prices for similar instruments; and 3) valuation based on non-arbitrage models (for comparable yield curve models). The BVAL is considered a Level 2 price source when there is evidence that it is based on directly observable market data. In all other cases, it will be considered a Level 3 price source;
- › other consensus prices provided by Bloomberg, Telekurs or other Information Providers;
- › contributors' executable prices that do not meet the significance requirements;
- › valuation models developed by Banca Generali, implemented on front-office systems or provided by third-party providers, based on observable significant inputs, which have been validated by the Chief Risk Office.

UCITS not listed on regulated markets are normally not considered listed on active markets.

UCITS characterised by significant levels of transparency and liquidity are considered Level 2 and valued on the basis of the NAVs provided by the management company/fund administrator.

UCITS relating to private equity, private debt and similar activities are considered Level 3 and measured on the basis of the most recent available NAV, adjusted, where applicable, to take account of events not incorporated into unit value or on the basis of specific valuations, where it is necessary to reflect a different valuation of the fund's underlying assets.

With reference to the valuation method used for the Forward Fund, reference should be made to the information provided in Part E "Information on Risks and Risk Hedging Policies", Section 2 "Prudential consolidation risks", Subsection D "Transfers", paragraph C "Prudential consolidation - transferred financial assets fully derecognised" of these Notes and Comments.

As regard derivative instruments, valuation models are used that have been developed by Banca Generali, implemented on front-office systems or provided by third-party providers, based on observable significant inputs, which have been validated by the Chief Risk Office.

Since it is impossible or inappropriate to use the comparable approach for OTC financial derivatives, the Group uses widespread valuation techniques commonly used by financial operators, including:

- › the analysis of discounted cash flows;
- › option pricing models.

In addition, the class L3 of financial instruments measured according to non-observable market parameters includes securities measured according to prices and market data obtained from brokers.

Level 3 also includes certain financial instruments measured at cost in the absence of reliable estimates of fair value. These consist mainly of "minor equity investments" in companies with which the Group has service relationships, and disposal of which is not conceivable (CSE, GBS, Caricese, SWIFT, etc.).

Other financial assets and liabilities not measured at fair value on a recurring basis

The fair value and hierarchical classification of financial assets other than debt securities, equity securities and units of UCITS, as well as of financial and operating receivables classified amongst loans to banks and customers, are determined as follows.

Demand, uncommitted and short-term loans

The fair value of this class of assets, which essentially consists of uncommitted current account exposures, demand deposits or short-term time deposits, as well as operating receivables, is not believed to differ significantly from its carrying amount. Considering that the measurement process does not contemplate significant unobservable inputs, such instruments are typically classified as L2.

Loans with medium/long-term fixed contractual maturity

This class of assets consists primarily of medium- or long-term mortgages or loans with financial instruments as collateral.

The fair value of loans with amortisation schedules is calculated according to a discounted cash flow model that calls for the cash flows expected on the basis of the contractual amortisation schedule to be discounted at the proper rate for the risks associated with the instrument. This correction consists of a spread to be added to the risk-free discount rate for the cash flows.

The spread in question is to be defined in such a way as to include the following components of risk:

- the cost of credit risk (the cost of covering expected losses in relation to credit risk);
- the cost of funding (the cost of funding positions);
- the cost of capital (the cost of covering unexpected losses in relation to credit risk);
- operating costs (any other costs, specific to the type of loan, that are to be considered in the exit price).

The cost of credit risk is calculated on the basis of multi-period historic PDs related to the rating of the counterparty in the transaction and the LGD specific to the type of instrument.

Loans with a fixed contractual maturity are classified to Level 3 of the fair value hierarchy, in consideration of the significant presence of unobservable inputs (spreads determined on the basis of internal PD and LGD).

Non-performing exposures

When non-performing loans — bad loans, UTP positions and past-due loans — are separately assessed, their book value is believed to be a reasonable approximation of their fair value.

Such loans are classified to Level 3 of the fair value hierarchy.

Other financial liabilities

Financial liabilities classified as amounts due to customers and banks consist mainly of demand deposits, short-term time deposits and operating payables.

Such liabilities also include repurchase agreements that are set to mature within the year and, in the case of interbank funding, fully collateralised, with the determination of daily margins of change.

Such financial liabilities are subject to fair value measurement criteria similar to those applied to other demand or uncommitted financial assets.

A.4.2 Processes and sensitivity of measurements

For recurring fair value measurements categorised within Level 3 of the fair value hierarchy, IFRS 13 requires a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement.

The unobservable inputs capable of affecting the measurement of instruments categorised within Level 3 consist mainly of estimates and assumptions underlying the models used to measure investments in equities and other UCITS. For such investments, no quantitative analysis has been prepared of the sensitivity of the fair value to changes in unobservable inputs, given that the fair value either has been drawn from third sources without any adjustments or is the result of a model, the inputs to which are specific to the entity subject to measurement (i.e., the company's asset values) and for which the use of alternative values is not reasonably feasible.

The case in question does not apply to Level 3 financial instruments classified as assets measured at OCI and FVOCI. The reader is referred to the detailed analysis of individual positions provided in the subsequent section concerning quantitative information.

A.4.3 Fair value hierarchy

IFRS 13, recalling the contents of IFRS 7, requires that entities that apply IAS/IFRS make adequate disclosure of the fair value measurements used for each class of financial instruments, and in particular:

1. the level in the fair value hierarchy into which the fair value measurements are categorised, segregating instruments belonging to different categories;
2. any significant transfers between Level 1 and Level 2 during the year;
3. for instruments measured in Level 3, a reconciliation from the beginning balances to the ending balances, disclosing separately changes in profit and loss (in the Profit and Loss Account and net equity), purchases and sales, and transfers out of Level 3 due to the use of market data.

In this regard, it should be noted that transfers between levels refer to the end of the accounting period of reference (half-year or annual), in an independent manner, and generally enter into effect from the beginning of the year of reference.

Transfers to and from Level 3 are infrequent and primarily involve the occurrence of situations of default, in which the Bank's subjective assessment of debt recoverability takes pre-eminence.

A.4.4 Other information

No cases envisaged in IFRS 13, paragraphs 48, 93(i) and 96, are reported in these Financial Statements.

Quantitative Information

A.4.5 Fair value hierarchy

A.4.5.1 Breakdown by fair value levels of assets and liabilities measured at fair value on a recurring basis

FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	31.12.2025			TOTAL
	L1	L2	L3	
1. Financial assets measured at fair value through profit or loss				
a) HFT financial assets	139,113	6,680	11	145,804
b) financial assets designated at fair value	-	-	-	-
c) other financial assets mandatorily measured at fair value	2,211	17,164	484,669	504,044
2. Financial assets measured at fair value through other comprehensive income	3,507,975	14,248	23,560	3,545,783
3. Hedging derivatives	-	153,464	-	153,464
4. Property and equipment	-	-	-	-
5. Intangible assets	-	-	-	-
Total	3,649,299	191,556	508,240	4,349,095
1. HFT financial liabilities	98,655	6,263	88	105,006
2. Financial liabilities designated at fair value	-	-	-	-
3. Hedging derivatives	-	188,984	-	188,984
Total	98,655	195,247	88	293,990

FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	31.12.2024			TOTAL
	L1	L2	L3	
1. Financial assets measured at fair value through profit or loss				
a) HFT financial assets	10	111	-	121
b) financial assets designated at fair value	-	-	-	-
c) other financial assets mandatorily measured at fair value	1,687	17,303	493,098	512,088
2. Financial assets measured at fair value through other comprehensive income	1,447,595	48,987	25,282	1,521,864
3. Hedging derivatives	-	131,221	-	131,221
4. Property and equipment	-	-	-	-
5. Intangible assets	-	-	-	-
Total	1,449,292	197,622	518,380	2,165,294
1. HFT financial liabilities	-	108	-	108
2. Financial liabilities designated at fair value	-	-	-	-
3. Hedging derivatives	-	176,946	-	176,946
Total	-	177,054	-	177,054

At the reporting date, Banca Generali's portfolios at fair value, i.e., the portfolio of financial assets measured at fair value through profit or loss, the portfolio of financial assets measured at fair value through other comprehensive income (HTCS) and hedging derivatives comprised 83.9% of financial assets allocated to class L1, increasing compared to the previous year (66.9%). Item "HFT financial assets" refers to the Italian government securities included in Banca Generali's portfolio amounting to 70.3 million euros and in Intermonte SIM's portfolio amounting to 68.8 million euros.

The portfolio of financial assets measured at fair value through other comprehensive income continued to be concentrated on sovereign debt, with the highest component made up of bonds issued by Italy and EU countries. It also included other debt securities (75.1 million euros) chiefly referring to the credit sector (55.0 million euros), and listed securities totalling 35.7 million euros.

Financial assets allocated to the L2 class, on the other hand, consisted chiefly of HFT hedging derivatives, mainly included in Intermonte SIM's portfolio, and of hedging derivatives and unit-linked policies that, due to failing the SPPI Test, were reclassified among other financial assets mandatorily measured at fair value.

In the reporting year, no significant transfers of financial assets were performed between class L1 and class L2.

A.4.5.2 Year changes in financial assets measured at fair value on a recurring basis (level L3)

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS					
	TOTAL	OF WHICH: A) HFT FINANCIAL ASSETS	OF WHICH: B) FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	OF WHICH: C) OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE	FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME
1. Amount at year-start	493,098	-	-	493,098	25,282
2. Increases	958	11	-	947	6,197
2.1 Purchases	850	-	-	850	6,197
2.2 Gains through:	97	-	-	97	-
2.2.1 Profit or loss	97	-	-	97	-
of which:					
- capital gains	-	-	-	-	-
2.2.2 Net equity	-	-	-	X	-
2.3 Transfers from other levels	8	8	-	-	-
2.4 Other increases	3	3	-	-	-
3. Decreases	9,376	-	-	9,376	7,919
3.1 Disposals	613	-	-	613	4,565
3.2 Redemptions	1,776	-	-	1,776	-
3.3 Losses through:	6,837	-	-	6,837	3,354
3.3.1 Profit or loss	6,837	-	-	6,837	-
of which:					
- capital losses	6,576	-	-	6,576	-
3.3.2 Net equity	-	-	-	X	3,354
3.4 Transfers to other levels	-	-	-	-	-
3.5 Other decreases	150	-	-	150	-
4. Amount at year-end	484,680	11	-	484,669	23,560

Other L3 financial assets mandatorily measured at fair value include:

- › the investment in the Luxembourg vehicle Algebris of 101 thousand euros, and the units of the MIP I Fund amounting to 964 thousand euros;
- › the convertible loan of the company Conio Inc. signed in November 2024 for an amount of 4,166 thousand euros; the first loan, subscribed in December 2020, had reached maturity and was converted in shares;
- › the Forward Fund, subscribed in October 2021 for an initial amount of 378 million euros, as part of the restructuring of a portfolio of senior notes issued by several special-purpose vehicles in the securitisation of healthcare receivables. Additional units for 112 million euros were subscribed in 2022. At the end of 2025, the value of the fund was 479,438 thousand euros, with a 6,323 thousand euro capital loss.

By contrast, L3 financial assets in the portfolio of Financial assets measured at fair value through other comprehensive income, for a total amount of 23,560 thousand euros, consist of:

- › the equity investment in Conio Inc., a company operating in the cryptocurrency industry, acquired in December 2020, and that at 31 December 2025 had a value of 7,301 thousand euros;
- › the equity investment in the independent asset management company 8A+ Investimenti SGR, in which the Bank controls 19.5% of share capital for a value of 912 thousand euros at 31 December 2025;
- › some equity investments, which continued to be measured at purchase cost, in the absence of reliable estimates of fair value; these are the so-called "minor investments" in companies with which the Bank has long-term strategic service arrangements (CSE, Caricese, SWIFT, etc.) or commercial partnerships (Tosetti Value), for a total of 15.2 million euros;
- › the equity investment in Beyond S.p.A., amounting to 110 thousand euros.

The equity investment in MainStreet Partners, a company specialising in ESG ratings and advisory, was disposed of in the fourth quarter of 2025.

A.4.5.3 Year changes in liabilities measured at fair value on a recurring basis (Level 3)

	HFT FINANCIAL LIABILITIES	FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	HEDGING DERIVATIVES
1. Amount at year-start	-	-	-
2. Increases	88	-	-
2.1 Issues	-	-	-
2.2 Losses through:	-	-	-
2.2.1 Profit or loss	-	-	-
of which:			
- capital losses	-	-	-
2.2.2 Net equity	X	-	-
2.3 Transfers from other levels	-	-	-
2.4 Other increases	88	-	-
3. Decreases	-	-	-
3.1 Redemptions	-	-	-
3.2 Buy-backs	-	-	-
3.3 Gains through:	-	-	-
3.3.1 Profit or loss	-	-	-
of which:			
- capital gains	-	-	-
3.3.2 Net equity	X	-	-
3.4 Transfers to other levels	-	-	-
3.5 Other decreases	-	-	-
4. Amount at year-end	88	-	-

L3 financial liabilities referred to liabilities for technical overdrafts of Intermonte SIM's portfolio.

A.4.5.4 Breakdown by fair value levels of assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis

FINANCIAL ASSETS/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS	31.12.2025			
	BV	L1	L2	L3
1. Financial assets measured at amortised cost	12,515,466	8,448,067	3,564,036	578,424
2. Property and equipment held as investments	-	-	-	-
3. Non-current assets held for sale and disposal groups	-	-	-	-
Total	12,515,466	8,448,067	3,564,036	578,424
1. Financial liabilities measured at amortised cost	15,922,718	-	15,922,718	-
2. Liabilities associated to assets held for sale	-	-	-	-
Total	15,922,718	-	15,922,718	-

FINANCIAL ASSETS/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS	31.12.2024			
	BV	L1	L2	L3
1. Financial assets measured at amortised cost	12,652,642	9,145,994	2,886,945	618,479
2. Property and equipment held as investments	-	-	-	-
3. Non-current assets held for sale and disposal groups	-	-	-	-
Total	12,652,642	9,145,994	2,886,945	618,479
1. Financial liabilities measured at amortised cost	14,521,277	-	14,521,277	-
2. Liabilities associated to assets held for sale	-	-	-	-
Total	14,521,277	-	14,521,277	-

Part A.5 – Disclosure about so-called “Day-one profit/loss”

IFRS 7, paragraph 28, governs the specific case in which, following the purchase of a financial instrument measured at fair value but not listed on an active market, the transaction price, which generally represents the best estimate of fair value at initial recognition, differs from the fair value according to the valuation technique used by the entity. In this case, there is a valuation gain/loss upon acquisition of which adequate disclosure must be given by financial instrument class. It should be noted that no such cases occur in these Financial Statements.

PART B – INFORMATION ON THE CONSOLIDATED BALANCE SHEET – ASSETS⁸

Section 1 – Cash and deposits - Item 10

1.1 Breakdown of cash and deposits

	31.12.2025	31.12.2024
a) Cash	29,862	29,914
b) Current accounts and demand deposits with Central Banks	303,675	871,310
c) Current accounts and demand deposits with banks	76,999	154,885
Total	410,536	1,056,109

Item b) Current accounts and demand deposits with Central Banks includes the value of the overnight deposit with the ECB, and the deposits of the subsidiary BG Suisse S.A., amounting to 28 million euros.

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

2.1 HFT financial assets: categories

ITEMS/VALUES	31.12.2025			31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
A. Cash assets						
1. Debt securities	90,975	49	11	2	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	90,975	49	11	2	-	-
2. Equity securities	33,465	-	-	8	-	-
3. UCITS units	57	-	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total A	124,497	49	11	10	-	-
B. Derivatives						
1. Financial	14,616	6,631	-	-	111	-
1.1 Trading	14,616	6,631	-	-	111	-
1.2 Related to the fair value option	-	-	-	-	-	-
1.3 Other	-	-	-	-	-	-
2. Credit	-	-	-	-	-	-
2.1 Trading	-	-	-	-	-	-
2.2 Related to the fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
Total B	14,616	6,631	-	-	111	-
Total (A + B)	139,113	6,680	11	10	111	-

⁸ A more detailed analysis of the fair value hierarchy of financial instruments (L1, L2, L3) is given in Part A.4 – Information on fair value of these Notes and Comments.

2.2 HFT financial assets: debtors/issuers/counterparties

ITEMS/VALUES	31.12.2025	31.12.2024
A. Cash assets		
1. Debt securities	91,035	2
a) Central Banks	-	-
b) General governments	90,250	-
c) Banks	-	-
d) Other financial corporations	206	-
of which:		
- insurance companies	-	-
e) Non-financial corporations	579	2
2. Equity securities	33,465	8
a) Banks	7,208	-
b) Other financial corporations	2,080	8
of which:		
- insurance companies	-	-
c) Non-financial corporations	24,177	-
d) Other issuers	-	-
3. UCITS units	57	-
4. Loans	-	-
a) Central Banks	-	-
b) General governments	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which:		
- insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
Total A	124,557	10
B. Derivatives		
a) Central counterparties	18,562	-
b) Other	2,685	111
Total B	21,247	111
Total (A + B)	145,804	121

HFT financial assets – Cash assets consists of 70,343 thousand euros related to Banca Generali's securities portfolio, concentrated on Italian government securities. The remainder refers to the trading book of the subsidiary Intermonte SIM S.p.A. Item "B. Derivatives" includes the options on equity indices and equity securities for a total of 21,120 thousand euros; the remainder consists of currency derivatives.

2.5 Other financial assets mandatorily measured at fair value: categories

ITEMS/VALUES	31.12.2025			31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	-	-	4,166	-	-	5,308
1.1 Structured securities	-	-	4,166	-	-	5,308
1.2 Other debt securities	-	-	-	-	-	-
2. Equity securities	2,211	-	-	1,687	-	98
3. UCITS units	-	21	480,503	-	21	487,692
4. Loans	-	17,143	-	-	17,282	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	17,143	-	-	17,282	-
Total	2,211	17,164	484,669	1,687	17,303	493,098

2.6 Other financial assets mandatorily measured at fair value: debtors/issuers

ITEMS/VALUES	31.12.2025	31.12.2024
1. Equity securities	2,211	1,785
<i>of which:</i>		
– banks	–	–
– other financial corporations	2,211	1,785
– other non-financial corporations	–	–
2. Debt securities	4,166	5,308
a) Central Banks	–	–
b) General governments	–	–
c) Banks	–	–
d) Other financial corporations	–	–
<i>of which:</i>		
– insurance companies	–	–
e) Non-financial corporations	4,166	5,308
3. UCITS units	480,524	487,713
4. Loans	17,143	17,282
a) Central Banks	–	–
b) General governments	–	–
c) Banks	–	–
d) Other financial corporations	16,305	16,444
<i>of which:</i>		
– insurance companies	16,305	16,444
e) Non-financial corporations	838	838
f) Households	–	–
Total	504,044	512,088

The UCITS portfolio includes the Forward Fund, an Italian AIF managed by Gardant SGR, specialised in illiquid investments. The fund was subscribed in October 2021 in the amount of 378 million euros, as part of the restructuring of a portfolio of senior notes issued by several special-purpose vehicles in the securitisation of healthcare receivables (past-due or related to disputes), which Banca Generali purchased from its customers to protect them against possible losses, and concurrently transferred to the Fund, subscribing 98% of its units. Additional units for 112 million euros were subscribed in 2022. At the end of 2025, the value of the Fund was 479,438 thousand euros. A 6,323 thousand euro capital loss on the Fund was recorded in 2025.

Equity investments in shares of the parent company Assicurazioni Generali S.p.A. amounted to 2,211 thousand euros at end of 2025.

Debt securities include just one convertible bond issued by Conio Inc. on 4 November 2024, with maturity set on 4 November 2026. The convertible loan subscribed on 9 December 2020 reached maturity on 31 May 2025 and was converted in shares.

Section 3 – Financial assets measured at fair value through other comprehensive income - Item 30

3.1 Financial assets measured at fair value through other comprehensive income: categories

ITEMS/VALUES	31.12.2025			31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	3,507,975	14,248	-	1,447,595	48,987	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	3,507,975	14,248	-	1,447,595	48,987	-
2. Equity securities	-	-	23,560	-	-	25,282
3. Financing	-	-	-	-	-	-
Total	3,507,975	14,248	23,560	1,447,595	48,987	25,282

3.2 Financial assets measured at fair value through other comprehensive income: debtors/ issuers

ITEMS/VALUES	31.12.2025	31.12.2024
1. Debt securities	3,522,223	1,496,582
a) Central Banks	-	-
b) General governments	3,443,606	1,479,087
c) Banks	58,247	16,490
d) Other financial corporations	20,370	-
<i>of which:</i>		
- insurance companies	-	-
e) Non-financial corporations	-	1,005
2. Equity securities	23,560	25,282
a) Banks	-	-
b) Other issuers	23,560	25,282
- other financial corporations	3,098	10,262
<i>of which:</i>		
- insurance companies	-	-
- non-financial corporations	20,462	15,020
- other	-	-
3. Loans	-	-
a) Central Banks	-	-
b) General governments	-	-
c) Banks	-	-
d) Other financial corporations	-	-
<i>of which:</i>		
- insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
Total	3,545,783	1,521,864

Item “Debt securities” includes assets sold but not written off, which refer to own securities used in repurchase agreements amounting to 790,816 thousand euros.

The equity securities portfolio includes 23,560 thousand euros referring to “minor equity investments”, which are largely related to service agreements concluded by the Group (CSE, Caricese, SWIFT, etc.) or agreements of a commercial nature (Tosetti Value SIM, 8a+ SGR, Conio Inc.), usually not listed and non-negotiable.

These equity investments are measured at purchase cost, recognising any impairment loss.

The equity investment in Conio falls within the broader corporate and commercial partnership with the Californian fintech company founded in 2015, which has positioned itself as a wallet provider that offers custody, negotiation and reporting services, currently focused on Bitcoins, on the Italian market, through its investee Conio S.r.l.

The equity investment in MainStreet Partners, a company specialising in ESG ratings and advisory acquired in 2023, was disposed of in the fourth quarter of 2025.

An additional 2% interest in CSE was acquired in December 2025, bringing the equity investment in the company's share capital to 12%.

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

	GROSS VALUE					TOTAL ADJUSTMENTS				
	OF WHICH: LOW CREDIT RISK		STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	OVERALL PARTIAL WRITE-OFFS
	STAGE 1 INSTRUMENTS									
Debt securities	3,522,551	3,443,914	-	-	-	328	-	-	-	-
Financing	-	-	-	-	-	-	-	-	-	-
Total at 31.12.2025	3,522,551	3,443,914	-	-	-	328	-	-	-	-
Total at 31.12.2024	1,496,833	1,479,334	-	-	-	251	-	-	-	-

In respect of the model for measuring expected credit losses (ECLs) provided for in IFRS 9, at 31 December 2025 collective reserves of 328 thousand euros were recognised for the debt securities portfolio, of which 308 thousand euros relating to the portfolio of government securities.

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

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

TYPE OF TRANSACTIONS/VALUES	31.12.2025						31.12.2024					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PUR- CHASED OR ORIG- INATED CREDIT - IMPAIRED	L1	L2	L3	STAGE 1 AND STAGE 2	STAGE 3	PUR- CHASED OR ORIGINATED CREDIT - IMPAIRED	L1	L2	L3
A. Loans to Central Banks	128,547	-	-	-	128,547	-	119,013	-	-	-	119,013	-
1. Term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Minimum reserve	128,547	-	-	X	X	X	119,013	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Loans to banks	3,193,183	-	-	2,213,373	981,040	1,988	2,630,501	-	-	1,923,489	694,118	2,001
1. Loans	794,160	-	-	-	794,160	-	607,485	-	-	-	607,485	-
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Term deposits	76,805	-	-	X	X	X	44,156	-	-	X	X	X
1.3 Other loans:	717,355	-	-	X	X	X	563,329	-	-	X	X	X
- repurchase agreements	487,477	-	-	X	X	X	387,089	-	-	X	X	X
- lease loans	-	-	-	X	X	X	-	-	-	X	X	X
- other	229,878	-	-	X	X	X	176,240	-	-	X	X	X
2. Debt securities	2,399,023	-	-	2,213,373	186,880	1,988	2,023,016	-	-	1,923,489	86,633	2,001
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	2,399,023	-	-	2,213,373	186,880	1,988	2,023,016	-	-	1,923,489	86,633	2,001
Total	3,321,730	-	-	2,213,373	1,109,587	1,988	2,749,514	-	-	1,923,489	813,131	2,001

The item "Other loans – other" includes 192,141 thousand euros (166,157 thousand euros at 31 December 2024) relating to collateral margins paid to banking counterparties for derivatives transactions and 24,459 thousand euros regarding securities lending

transactions collateralised by Intermonte's equity securities. The remaining 13 million euros is almost entirely attributable to operating receivables relating to placement and distribution of financial products, collected in the first few months of the following year.

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

TYPE OF TRANSACTIONS/VALUES	31.12.2025						31.12.2024					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	L1	L2	L3	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	L1	L2	L3
1. Loans	2,849,578	17,341	20,984	-	2,324,565	561,920	2,560,645	21,173	15,790	-	2,011,447	586,713
1. Current accounts	1,960,821	8,579	-	X	X	X	1,739,952	7,953	-	X	X	X
2. Repurchase agreements	27,334	-	-	X	X	X	-	-	-	X	X	X
3. Mortgages	506,165	5,131	-	X	X	X	518,199	9,534	-	X	X	X
4. Credit cards, personal loans and loans on wages	-	6	-	X	X	X	-	6	-	X	X	X
5. Lease loans	-	-	-	X	X	X	-	-	-	X	X	X
6. Factoring	-	-	-	X	X	X	-	-	-	X	X	X
7. Other loans	355,258	3,625	20,984	X	X	X	302,494	3,680	15,790	X	X	X
2. Debt securities	6,305,833	-	-	6,234,694	129,884	14,516	7,305,521	-	-	7,222,505	62,367	29,765
1. Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2. Other debt securities	6,305,833	-	-	6,234,694	129,884	14,516	7,305,521	-	-	7,222,505	62,367	29,765
Total	9,155,411	17,341	20,984	6,234,694	2,454,449	576,436	9,866,166	21,173	15,790	7,222,505	2,073,814	616,478

Item 2.2, relating to debt securities, includes 63,595 thousand euros of senior notes issued in securitisation transactions. The ABS component decreased on the previous year (92,474 thousand euros) mainly due to the full reimbursement of the Credimi, Eridano and Progetto Quinto securitisations and some ABS of the CLO component. Detailed information on the securitised notes is given in Part E of these Notes and Comments.

The item "Debt securities" includes encumbered assets used as collateral for ECB refinancing operations totalling 366,378 thousand euros and securities held in deposit with Cassa di Compensazione e Garanzia amounting to 250,521 thousand euros. This item also includes own securities used in repurchase agreements amounting to 711,882 thousand euros.

Item 1.7 "Other loans" includes operating receivables relating to the placement and distribution of financial and insurance products in the amount of 182,124 thousand euros, largely consisting of short-term receivables from financial partners and insurance companies belonging to Generali Group, collected in the early months of the following year.

Breakdown of loans to customers – other transactions

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
Other grants	12,753	23,650
Loans on promissory notes	6,692	8,288
Stock exchange interest-bearing daily margin	88,684	27,931
Sums advanced to Financial Advisors	53,721	55,517
Operating loans	182,124	181,904
Interest-bearing caution deposits	1,157	1,030
Rights of recourse and usufruct rights	20,984	15,790
Amounts to be collected	13,752	7,854
Total	379,867	321,964

The item "Rights of recourse and usufruct rights" refers to the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, as well as to amounts receivable as a result of the transfer by Bank's customers of usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024. Both categories of amounts receivable were recognised among loans to customers measured at amortised cost and classified as purchased or originated credit impaired (POCI).

In the year, the Bank's residual 4.8 million euro usufruct rights were fully written off. The residual 20,984 thousand euros at year-end therefore related exclusively to the rights of recourse arising from the enforced guarantees.

Pursuant to IFRS 15, paragraph 116 a), the previous table includes the opening and closing balances of receivables within the scope of this standard (operating loans and amounts to be collected). In reference to paragraph 118 of IFRS 15, the change in receivables during the year was due to the Group's normal course of business and therefore is not attributable to contractual amendments or changes in the time required for the right to the consideration to become unconditional.

Sums advanced to Financial Advisors enrolled with the Register of Financial Advisors include non-performing positions for a net amount of 2,965 thousand euros, largely attributable to advances to former Financial Advisors who have left service due to a dispute or pre-dispute.

4.3 Financial assets measured at amortised cost: breakdown of loans to customers by debtors/ issuers

TYPE OF TRANSACTIONS/VALUES	31.12.2025			31.12.2024		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED
1. Debt securities	6,305,833	-	-	7,305,521	-	-
a) General governments	6,143,025	-	-	7,041,169	-	-
b) Other financial corporations	120,883	-	-	224,910	-	-
of which:						
– insurance companies	-	-	-	-	-	-
c) Non-financial corporations	41,925	-	-	39,442	-	-
2. Loans to:	2,849,578	17,341	20,984	2,560,645	21,173	15,790
a) General governments	5	-	-	5	-	-
b) Other financial corporations	397,193	2,621	20,984	306,447	384	15,790
of which:						
– insurance companies	24,811	-	-	25,838	-	-
c) Non-financial corporations	289,429	5,864	-	255,198	10,490	-
d) Households	2,162,951	8,856	-	1,998,995	10,299	-
Total	9,155,411	17,341	20,984	9,866,166	21,173	15,790

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

	GROSS VALUE					TOTAL ADJUSTMENTS				
	STAGE 1		STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	OVERALL PARTIAL WRITE-OFFS
	STAGE 1	OF WHICH: LOW CREDIT RISK IN- STRUMENTS				STAGE 1				
Debt securities	8,706,536	-	-	2,642	-	1,680	-	2,642	-	-
Loans	3,578,333	-	196,310	37,271	20,984	1,603	755	19,930	-	83,093
Total at 31.12.2025	12,284,869	-	196,310	39,913	20,984	3,283	755	22,572	-	83,093
Total at 31.12.2024	12,400,541	-	219,691	41,480	17,066	3,745	807	20,307	1,276	-

In respect of the model for assessing expected credit losses (ECLs) provided for in IFRS 9, at 31 December 2025 performing loans measured at amortised cost, classified to Stage 1 and Stage 2, were recognised net of the collective reserves for a total of 4,038 thousand euros, of which:

- › 1,680 thousand euros relating to the debt securities portfolio;
- › 2,358 thousand euros relating to other loans.

Within this item, total value adjustments of exposures to banks amounted to 1,025 thousand euros, of which 833 thousand euros on debt securities and 192 thousand euros on other loans.

The provision for expected losses on debt securities refers instead to the government bond portfolio in the amount of 766 thousand euros.

The item relating to non-performing debt securities (Stage 3) refers to the Alitalia bond. This bond known as “Dolce Vita”, amounting to 2,642 thousand euros, was fully written down in the previous years due to the airline's serious state of crisis, which

resulted in a court declaration of the company's insolvency and the commencement of the extraordinary administration procedure.

The provision for expected losses on trade receivables, measured in accordance with IFRS 9 5.5.15, was not material in view of the short-term nature of the exposures concerned, all of which were collected in full in the first few months of the following year.

4.4a Loans measured at amortised cost subject to Covid-19 support measures: gross value and total adjustments

	GROSS VALUE					TOTAL ADJUSTMENTS				
	OF WHICH: LOW CREDIT RISK IN-		STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED				PURCHASED OR ORIGINATED CREDIT - IMPAIRED	OVERALL PARTIAL WRITE-OFFS
	STAGE 1	STRUMENTS				STAGE 1	STAGE 2	STAGE 3		
4. Loans	1,462	-	-	580	-	-	-	56	-	-
Total at 31.12.2025	1,462	-	-	580	-	-	-	56	-	-
Total at 31.12.2024	21,378	-	325	1,654	-	6	-	218	-	-

Section 5 – Hedging derivatives - Item 50

5.1 Breakdown of hedging derivatives by type of hedge and hierarchy levels

TYPE OF TRANSACTIONS/VALUES	31.12.2025				31.12.2024			
	FAIR VALUE			NOTIONAL VALUE	FAIR VALUE			NOTIONAL VALUE
	L1	L2	L3		L1	L2	L3	
A) Financial derivatives	-	153,464	-	5,308,715	-	131,220	-	3,761,400
1) Fair value	-	145,304	-	4,366,715	-	123,861	-	3,156,400
2) Cash flows	-	8,160	-	942,000	-	7,359	-	605,000
3) Net investment in a foreign operation	-	-	-	-	-	-	-	-
B) Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	153,464	-	5,308,715	-	131,220	-	3,761,400

5.2 Breakdown of hedging derivatives by portfolios hedged and type of hedge

HEDGING TRANSACTIONS/TYPE	FAIR VALUE							CASH FLOWS		
	MICRO HEDGES									
	DEBT SECURITIES AND INTEREST RATES	EQUITY AND SECURITIES AND EQUITY INDICES	CURREN- CIES AND GOLD	CREDIT	GOODS	OTHER	MACRO HEDGES	MICRO HEDGES	MACRO HEDGES	NET INVEST- MENT IN A FOREIGN OPERATION
1. Financial assets measured at fair value through other comprehensive income	264	-	-	-	X	X	X	85	X	X
2. Financial assets measured at amortised cost	143,207	X	528	-	X	X	X	8,076	X	X
3. Portfolio	X	X	X	X	X	X	1,304	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	143,471	-	528	-	-	-	1,304	8,161	-	-
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	-	-	-	-	-	-	-	-	-	-
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 7 – Equity investments - Item 70

7.1 Equity investments: disclosure on type of relations

COMPANY NAME	REGISTERED OFFICE	OPERATING OFFICE	TYPE OF RELATIONSHIP	SHAREHOLDING		% OF VOTING RIGHTS
				INVESTOR COMPANY	% HELD	
B. Companies subject to significant influence						
1. Agorai Innovation Hub S.p.A.	Trieste	Trieste	Associate company	Banca Generali	7.6%	7.6%

At 31 December 2025, the companies subject to significant influence included the equity investment in Agorai Innovation Hub S.p.A., aimed at developing an applied and basic research hub and training centre on data science and advanced artificial intelligence, based in Trieste.

It was incorporated on 11 April 2025 by several Generali Group companies, including Banca Generali, initially holding a 20.1% interest.

On 27 November 2025, a reserved capital increase was approved and was subscribed by new institutional shareholders, which reduced the Group's equity investment to 49% and that of Banca Generali to just above 7.5%.

At 31 December 2025, the investment was however recognised among equity investments, in light of the significant influence that Generali Group continued to exercise by virtue of its stake and the representatives it has in the company's corporate bodies.

7.4 Non-significant equity investments: accounting information

At the reporting date of the Consolidated Financial Statements of Banca Generali, the financial statements of the company were not yet approved.

7.5 Equity investments: year changes

	31.12.2025	31.12.2024
A. Amount at year-start	2,962	1,975
B. Increases	620	2,044
B.1 Purchases	620	2,044
B.2 Reversals	-	-
B.3 Revaluations	-	-
B.4 Other changes	-	-
C. Decreases	2,962	1,057
C.1 Sales	-	71
C.2 Adjustments	1,454	46
C.3 Write-downs	-	712
C.4 Other changes	1,508	228
D. Amount at year-end	620	2,962
E. Total revaluations	-	-
F. Total adjustments	-	2,476

Banca Generali's Consolidated Financial Statements for the year ended 31 December 2024 included one equity investment under common control, namely in BG Saxo SIM S.p.A., an investment firm formed as part of the joint venture with Saxo Bank, in which Banca Generali acquired a 19.9% equity interest on 31 October 2019, then increased to 49.0% in 2024.

At 31 December 2024, the equity investment amounted to 2,962 thousand euros.

On 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, the Board of Directors authorised to exercise the put option envisaged by the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in February 2026.

Accordingly, the equity investment in BG Saxo SIM S.p.A. was reclassified among non-current assets held for sale recognising an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

7.8 Commitments attributable to equity investments in companies subject to significant influence

Under the shareholders' agreement, the current shareholders, including Banca Generali, undertook to finance the company through a five-year grant for the 2025-2029 period.

Section 9 – Property and equipment - Item 90

9.1 Breakdown of operating property and equipment: assets measured at cost

ASSETS/VALUES	31.12.2025	31.12.2024
1. Owned assets	8,480	8,030
a) Land	-	-
b) Buildings	-	-
c) Furniture	6,992	6,911
d) Electronic equipment	511	238
e) Other	977	881
2. Rights of use acquired through leases	130,867	122,941
a) Land	-	-
b) Buildings	129,399	121,760
c) Furniture	-	-
d) Electronic equipment	-	-
e) Other	1,468	1,181
Total	139,347	130,971
<i>of which:</i>		
- <i>obtained through the enforcement of guarantees received</i>	-	-

9.6 Operating property and equipment: year changes

	RIGHTS OF USE ACQUIRED THROUGH LEASES - BUILDINGS	RIGHTS OF USE ACQUIRED THROUGH LEASES - OTHER	FURNITURE	ELECTRONIC EQUIPMENT	OTHER	TOTAL
A. Gross amount at year-start	229,935	2,596	32,457	7,564	10,796	283,348
A.1 Total net impairment	108,175	1,415	25,546	7,326	9,915	152,377
A.2 Net amount at year-start	121,760	1,181	6,911	238	881	130,971
B. Increases	31,171	832	1,466	458	521	34,448
B.1 Purchases	18,904	832	1,433	369	465	22,003
B.2 Capitalised improvement costs	-	-	-	-	-	-
B.3 Reversals	-	-	-	-	-	-
B.4 Fair value positive changes in:	-	-	-	-	-	-
a) Net equity	-	-	-	-	-	-
b) Profit and Loss Account	-	-	-	-	-	-
B.5 Exchange gains	6	-	2	-	-	8
B.6 Transfers from buildings held as investments	-	-	-	-	-	-
B.7 Other changes	12,261	-	31	89	56	12,437
<i>of which:</i>						
- <i>arising from business combinations</i>	1,913	-	14	82	43	2,052
C. Decreases	23,532	545	1,385	185	425	26,072
C.1 Sales	-	-	-	-	-	-
C.2 Depreciation	23,006	511	1,385	184	418	25,504
C.3 Adjustments for impairment in:	-	-	-	-	-	-
a) Net equity	-	-	-	-	-	-
b) Profit and Loss Account	-	-	-	-	-	-
C.4 Fair value negative changes in:	-	-	-	-	-	-
a) Net equity	-	-	-	-	-	-
b) Profit and Loss Account	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) property and equipment held as investments	-	-	-	-	-	-
b) non-current assets held for sale and disposal groups	-	-	-	-	-	-
C.7 Other changes	526	34	-	1	7	568
D. Net amount at year-end	129,399	1,468	6,992	511	977	139,347
D.1 Total net impairment	128,481	1,183	27,165	10,051	11,639	178,519
D.2 Gross amount at year-end	257,880	2,651	34,157	10,562	12,616	317,866
E. Measured at cost	129,399	1,468	6,992	511	977	139,347

Section 10 – Intangible assets - Item 100

10.1 Breakdown of intangible assets by categories

ASSETS/VALUES	31.12.2025		31.12.2024	
	DEFINITE LIFE	INDEFINITE LIFE	DEFINITE LIFE	INDEFINITE LIFE
A.1 Goodwill	X	143,668	X	88,073
A1.1 Attributable to the Group	X	143,668	X	88,073
A1.2 Attributable to minority interests	X	-	X	-
A.2 Other intangible assets	75,214	6,325	65,135	756
<i>of which:</i>				
– <i>software</i>	40,193	-	32,309	-
A.2.1 Assets measured at cost:	75,214	6,325	65,135	756
a) internally generated intangible assets	-	-	-	-
b) other assets	75,214	6,325	65,135	756
A.2.2 Assets measured at fair value:	-	-	-	-
a) internally generated intangible assets	-	-	-	-
b) other assets	-	-	-	-
Total	75,214	149,993	65,135	88,829

10.2 Intangible assets: year changes

	GOODWILL	OTHER INTANGIBLE ASSETS:		OTHER INTANGIBLE ASSETS:		TOTAL
		INTERNALLY GENERATED		OTHER		
		DEFINITE LIFE	INDEFINITE LIFE	DEFINITE LIFE	INDEFINITE LIFE	
A. Gross amount at year-start	88,073	-	756	189,896	-	278,725
A.1 Total net impairment	-	-	-	124,761	-	124,761
A.2 Net amount at year-start	88,073	-	756	65,135	-	153,964
B. Increases	55,595	-	5,995	32,880	-	94,470
B.1 Purchases	-	-	-	27,735	-	27,735
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Reversals	X	-	-	-	-	-
B.4 Fair value positive changes	-	-	-	-	-	-
- Net equity	X	-	-	-	-	-
- Profit and Loss Account	X	-	-	-	-	-
B.5 Exchange gains	-	-	-	52	-	52
B.6 Other changes	55,595	-	5,995	5,093	-	66,683
of which:						
- arising from business combinations	55,595	-	5,995	5,093	-	66,683
C. Decreases	-	-	426	22,801	-	23,227
C.1 Sales	-	-	-	-	-	-
C.2 Adjustments	-	-	426	22,762	-	23,188
- Amortisation	X	-	-	22,762	-	22,762
- Write-downs	-	-	426	-	-	426
+ Net equity	X	-	-	-	-	-
+ Profit and Loss Account	-	-	426	-	-	426
C.3 Fair value negative changes		-	-	-	-	-
- Net equity	X	-	-	-	-	-
- Profit and Loss Account	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other changes	-	-	-	39	-	39
D. Net amount at year-end	143,668	-	6,325	75,214	-	225,207
D.1 Total net adjustments	-	-	-	147,584	-	147,584
E. Gross amount at year-end	143,668	-	6,325	222,798	-	372,791
F. Measured at cost	143,668	-	6,325	75,214	-	225,207

10.3 Intangible assets: other information

Breakdown of consolidated goodwill

(€ THOUSAND)	31.12.2025	31.12.2024
Prime Consult SIM and INA Sim	2,991	2,991
BG Fiduciaria SIM S.p.A.	4,289	4,289
Banca del Gottardo	31,352	31,352
Credit Suisse Italy	27,433	27,433
Nextam S.p.A. Group	12,202	12,202
BG Aequitum S.A.	11,850	8,706
Binck Bank N.V. Italy business unit	1,100	1,100
Intermonte SIM S.p.A. Group	52,451	-
Total	143,668	88,073

Breakdown of intangible assets – other assets

(€ THOUSAND)	31.12.2025	31.12.2024
Charges associated with the implementation of legacy CSE procedures	32,642	24,870
Customer relationships (former Credit Suisse Italy)	4,416	5,568
Customer relationships (former Nextam S.p.A. Group)	5,335	5,892
Customer relationships (former BG Valeur S.A.)	692	1,739
Customer relationships (former Aequitum S.A. Group)	2,536	-
Customer relationships (former Intermonte SIM S.p.A. Group)	4,499	-
Other software costs	7,551	7,439
Advance payments on intangible assets	17,542	19,627
Total	75,213	65,135

Intangible assets with an indefinite useful life amounted to 6.3 million euros and consisted exclusively of the value of trademarks calculated within the framework of purchase price allocation (PPA) procedures referring to the business combinations undertaken by the Banking Group (Nextam, Intermonte and Websim trademarks). At the end of the reporting year, the Valeur trademark, amounting to 0.4 million euros, was fully written down following the change of BG Valeur's company name into BG Aequitum.

Intangible assets recognised in respect of contractual relationships governing financial assets administered and managed on behalf of customers represent the economic assessment of the expected cash flows from those relationships on the basis of specific profitability coefficients and appropriate default rates, identified within the framework of PPA procedures.

These intangible assets are tested for impairment whenever the underlying customer relationships decrease significantly. In this regard, it should be noted that the intangible asset referring to relationships with former BG Valeur customers were written down by 0.9 million euros, following the partial outflow of total assets managed, occurred in 2025.

With reference to intangible assets recognised as part of the business combinations undertaken by the Banking Group, the following should be noted:

- › the 44,713 thousand euro consideration paid to acquire the former Credit Suisse's business unit in 2014 was initially allocated for 17,280 thousand euros to intangible assets and for 27,433 thousand euros to goodwill;
- › the consideration paid to acquire Nextam Partners Group in 2019 was initially recognised for 8.9 million euros to intangible assets attributable to the contractual relationships with customers of the Nextam Group and amortised over a total period of 16 years, for 0.3 million euros to the value of the Nextam trademark, and for 12.2 million euros to goodwill;
- › the consideration paid to acquire BG Valeur S.A. (now BG Aequitum S.A.) in 2019 was originally allocated for 3.2 million euros to intangible assets attributable to contractual relationships with customers and amortised over a total period of ten years, for 0.4 million euros to the value of the Valeur trademark — now fully written down —, and for approximately 8.7 million euros to goodwill;
- › the consideration paid to acquire Intermonte Group was originally allocated for 5.0 million euros to intangible assets attributable to contractual relationships with customers and amortised over a total period of nine and ten years, for 6.0 million euros to the value of the Intermonte e Websim trademarks, for 0.2 million euros to software expenses, and for approximately 52.5 million euros to goodwill;
- › the consideration paid to acquire BG Aequitum S.A. was originally allocated for 2.6 million euros to intangible assets attributable to contractual relationships with customers and amortised over a total period of ten years, and for approximately 3.1 million euros to goodwill.

Impairment testing of goodwill

During the preparation of the 2025 Financial Statements, goodwill was tested for impairment and the carrying amount was determined to be accurate. In this regard, reference should be made to Part G, Section 3, of these Notes and Comments.

Section 11 – Tax assets and liabilities - Item 110 (Assets) and Item 60 (Liabilities)

Breakdown of item 110 (Assets): tax assets

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
Current taxation	99,700	38,227
Sums due for taxes to be refunded	1,399	988
IRES arising on National Tax Consolidation scheme	14,417	1,717
IRES and foreign direct taxes	34,335	35,165
IRES in excess, surtax for banks, tax withholdings	1,840	353
IRAP	7,954	4
IRAP in excess arising from the reimbursement related to EU dividends	39,755	-
Deferred tax assets	86,945	84,662
With impact on Profit and Loss Account	85,509	83,402
IRES	71,311	69,391
IRAP	14,198	14,011
With impact on Net Equity	1,436	1,260
IRES	1,235	1,178
IRAP	201	82
Total	186,645	122,889

Current tax assets and liabilities represent the positive or negative imbalance between the estimated income taxes due for the year and the associated tax credits due to overpayments in previous tax periods, prepayments made and amounts withheld.

In further detail, for Banca Generali current IRES (corporate income) tax assets and liabilities take the form of account receivable from or payable to, respectively, the consolidating entity, Assicurazioni Generali S.p.A. Due to Banca Generali's participation in Assicurazioni Generali's tax consolidation scheme, the former's taxable profits or losses for IRES purposes, along with the tax credits to which it is entitled and sums withheld from it, are transferred to the consolidating entity, which then figures and pays the tax owed by the Group. The consolidating entity is also responsible for paying the taxes owed by or to the credit of the consolidated entity and requesting the associated prepayments.

Sums due for taxes to be refunded mainly include 1,397 thousand euros of foreign taxes withheld in the course of ordinary investment in debt securities, for which a full refund was applied under the relevant treaties for the avoidance of double taxation (910 thousand euros in 2024).

Other receivables relating to IRES chiefly include excess taxes related to the surtax for banks (1,569 thousand euros) and, to a lesser extent, to the merger of the Nextam Group, irrecoverable within the tax consolidation scheme, and previous excess taxes.

IRAP in excess arising from the reimbursement related to EU dividends amounting to a net **39,755 thousand euros** refers to the refund of the IRAP tax paid in prior years following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 concerning the joined cases from C-92/24 to C-94/24 (so-called "Mediolanum Judgment").

It should be recalled that said Judgment acknowledged the incompatibility with EU law of the Italian law that provides for the inclusion in the basis of the assessment for IRAP tax of amounts corresponding to 50% of the dividends received by the parent companies from subsidiaries resident in other Member States, in that it is contrary to Directive 2011/96/EU (Parent-Subsidiary Directive), which does not allow to levy tax on more than 5% of the amount of said dividends⁹.

Italian 2026 Budget Law (Law No. 199/2025) incorporated the principles laid down by the Judgment, thus reducing — with effect as of the 2025 fiscal year — from 50% to 5% the taxable portion of intragroup dividends and recognising the right to receive the reimbursement of the higher IRAP paid in prior years, in accordance with the terms set forth by the legislation in force, while also acknowledging the validity of all applications submitted before 31 December 2025.

On the basis of the new regulatory and case-law framework, the Company recognised its tax receivables from Tax Authorities as follows, taking exclusively into account the reimbursement applications:

- › to which, based on the Italian Tax Authority's approach, no objection of timelessness applied, namely regarding 2017-2024 fiscal years; in a prudent perspective, no tax receivables were recognised with regard to the applications concerning prior fiscal years, the recovery of which would currently require the initiation of tax litigation;
- › adjusting the amount of the receivables due within the limit allowed by the Budget Law (45% instead of 50% recognised by the EU Court).

⁹ Pursuant to the Italian tax law previously in force, 5% of these dividends had to be included in the basis of assessment for the IRES tax and 50% had to be included in the basis of assessment for the IRAP tax. Following the amendments introduced by the Budget Law, taxes may now only be levied on 5% of these dividends for both taxes.

Total receivables from Tax Authorities amounted to **37,584 thousand euros** at 31 December 2025, to which **2,171 thousand euros** interest income accrued up to 31 December 2025 was added for late reimbursement of taxes paid under Article 44, paragraph 1, of Italian Presidential Decree No. 602/73.

Breakdown of item 60 (Liabilities): tax liabilities

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
Current taxation	214	5,836
IRES (surtax for banks)	-	1,167
IRES and other foreign income taxes	214	8
IRAP	-	4,661
Deferred tax liabilities	13,606	12,431
With impact on Profit and Loss Account	11,079	7,595
IRES deferred tax liabilities and foreign income taxes	9,488	5,348
IRAP	1,591	2,247
With impact on Net Equity	2,527	4,836
IRES deferred tax liabilities and foreign income taxes	2,242	4,142
IRAP	285	694
Total	13,820	18,267

11.1 Breakdown of deferred tax assets

TYPE OF TRANSACTIONS/VALUES	31.12.2025	OF WHICH L. 214/2011	31.12.2024	OF WHICH L. 214/2011
With impact on Profit and Loss Account	85,509	3,535	83,402	3,535
Provisions for liabilities and contingencies	72,252	-	73,700	-
Write-downs of loans to customers before 2015	619	619	619	619
Redeemed goodwill of former Banca del Gottardo (Art. 15, para. 10, of Law Decree 185/08)	1,542	1,542	1,542	1,542
Goodwill of former BG Fiduciaria SIM (Art. 15, para. 10-ter)	786	786	786	786
Redeemed goodwill of former BG SGR (Art. 176, para. 2-ter, of TUIR)	588	588	588	588
Redeemed goodwill of former Nextam Partners (Art. 15, para. 10, of Law Decree 185/08)	784	-	1,569	-
Redeemed goodwill of former Banca del Gottardo (Art. 110 of Law Decree 104/21)	1,834	-	1,976	-
Collective write-downs (ECLs) on loans to customers and banks	207	-	316	-
Other	4,414	-	2,055	-
Group companies' tax losses	1,494	-	251	-
BVG pension funds	989	-	-	-
With impact on Net Equity	1,436	-	1,260	-
Measurement at fair value of HTCS financial assets	375	-	293	-
Actuarial losses (IAS 19) on termination indemnity	753	-	852	-
Cash flow hedge	308	-	115	-
Total	86,945	3,535	84,662	3,535

The DTAs eligible for conversion into tax credits pursuant to Italian Law No. 214/2011 include:

- assets relating to goodwill and other intangible assets subject to redemption pursuant to Article 10, paragraph 10 and paragraph 10-ter, of Law Decree 185/08 and Article 176, paragraph 2-ter, of TUIR (Consolidated Income Tax Law), relating to the redemption transactions undertaken before 2015; on the other hand, DTAs accrued in respect of realignment transactions undertaken in financial year 2021 cannot be transformed;
- assets related to adjustments to loans not deducted from taxes as at 31 December 2015, for which Law Decree No. 83/2015, by introducing a system of full deductibility of value adjustments with effect from that year, had remodulated deductibility percentages according to a thorough ten-year recovery scheme, originally set from 2016 to 2025, based on variable annual quotas¹⁰.

Over time, many law provisions envisaged a longer deferment for the deduction of the goodwill and previous adjustments that had given rise to the recognition of deferred tax assets eligible for conversion into tax credits.

¹⁰ According to Article 16, paragraph 4, of Italian Law Decree No. 83/2015, impairment losses and losses on loans as per paragraph 1 recognised in the financial statements until the year in progress at 31 December 2014 and not yet deducted pursuant to Article 106, paragraph 3, of TUIR (Italy's income tax code), were deductible at 5% of their amount in the tax period in progress at 31 December 2016, at 8% in the tax period in progress at 31 December 2017, at 10% in the tax period in progress at 31 December 2018, at 12% in the tax period in progress at 31 December 2019 and until the tax period in progress at 31 December 2024, and at 5% in the tax period in progress at 31 December 2025. The same provision was introduced for the IRAP tax.

In particular, with regard to goodwill, they provided for:

- › the remodulation of the deductibility of part of the goodwill and other intangible assets not deducted as at 31 December 2017 over a ten-year period, from 2019 to 2029, at different tax rates (2019 Budget Law No. 145 of 30 December 2018);
- › the deferral until 2025 and the four subsequent years of the amortisation charges referring to the 2019 tax period (tax originally set at 5%) of goodwill and other intangible assets, which gave rise to the recognition of deferred tax assets eligible for conversion into tax credits. Accordingly, no DTAs eligible for conversion into tax credits were recovered in 2018 and 2019 (2020 Budget Law No. 160 of 30 December 2019);
- › the deferral of the deduction of off-balance sheet amortisation charges of the goodwill eligible for conversion into tax credits to accrue in 2025 and 2026 for tax periods 2026-2029 and 2027-2029, respectively (2025 Budget Law No. 207 of 30 December 2024);
- › the deferral of the deduction of 2027 off-balance sheet amortisation charges (12.36%) on a straight-line basis to the tax periods 2028 and 2029 (Article 1, paragraph 77, of the 2026 Budget Law No. 119/2025).

With regard to adjustments on loans not deducted as at 30 June 2015:

- › the deferral of the deduction of the portion of adjustments that accrued in 2018, set by Law Decree No. 83/2015 at 10% to tax period 2026 (2019 Budget Law No. 145 of 30 December 2018), subsequently brought forward to 2022 and set at 5.3%;
- › the deferral of the deduction of the portion of adjustments that accrued in 2019 (originally set at 12%), on a straight-line basis, to tax periods 2022-2025 (2020 Budget Law No. 160 of 30 December 2019);
- › the deferral of the deductibility of 12% of the value adjustments for the tax period in progress on 31 December 2022, on a straight-line basis, to the tax periods 2023-2026 (Article 42 of Decree Law No. 17 of 1 March 2022);
- › the deferral of the deduction of the portion of adjustments to loans previously deferred until 2024 (set at 1%) and until 2026 (set at 3%), on a straight-line basis, to tax periods 2027 and 2028 (2024 Budget Law No. 13 of 30 December 2023);
- › the deferral of the deduction of the portions relating to 2025 and 2026 of the adjustments to loans not deducted as at 30 June 2015 on a straight-line basis for tax periods 2026-2029 and 2027-2029, respectively (2025 Budget Law No. 207 of 30 December 2024);
- › the partial deferral of the deduction of the portions related to 2027 (3.80%) on a straight-line basis to the tax periods 2028 and 2029 (Article 1, paragraph 76, of the 2026 Budget Law No. 119/2025).

DTAs relating to the adjustments in question are not among those eligible for conversion into tax credits and amounted to 80 thousand euros at 31 December 2025.

In addition, the 2026 Budget Law also introduced further limitations on the deduction of adjustments on amounts receivable arising exclusively from the adoption of the model for assessing the provision allocated to cover expected credit losses (ECLs), with the sole exception of non-performing exposures (Stage 3), ruling that write-downs made in the 2026-2028 three-year period are deductible in five straight-line instalments as of the year in which the impairment loss was recognised in the Profit and Loss Account.

Moreover, said Budget Law provides, *inter alia*, for a 2% increase in the IRAP basic rate applicable to banks and insurance firms for the 2026-2028 three-year period.

DTAs relating to goodwill and not eligible for conversion into tax credits include DTAs deriving from the realignment operations carried out in 2021.

In 2021, Banca Generali proceeded to exercise the option to carry out the following operations to realign the carrying and tax values of goodwill, trademarks and other intangible assets, through payment of the related substitute taxes by the income tax payment deadline for the 2020 tax period:

- › realignment of the carrying values for goodwill, trademarks and intangible assets, resulting from the merger — effective 1 January 2020 for accounting and tax purposes — of the subsidiaries Nextam Partners S.p.A. and Nextam Partners SGR, carried out pursuant to:
 - Article 15 of Law Decree No. 185/2008 (special redemption), by payment of a substitute tax of 16% and subsequent amortisation over 5 years;
 - Article 176, paragraph 2-ter, of TUIR (ordinary redemption), limited to intangible assets, with payment of a substitute tax based on related tax brackets (12%-14%) and recognition of amortisation throughout the residual life of the intangible asset;
- › realignment of misalignments resulting from previous years' goodwill stated in the Financial Statements at 31 December 2019 and still present at 31 December 2020, pursuant to Article 110 of Law Decree No. 104/2020 (so-called "August Decree"), as amended by the 2021 Budget Law, through payment of a 3% substitute tax, and a subsequent right to benefit from the ensuing off-balance sheet amortisation initially set at 18 years and then subsequently extended to 50 years.

With regard to this special treatment, the 2022 Budget Law (Law No. 234 of 30 December 2021) subsequently extended the deduction period of temporary differences resulting from the above-mentioned realignments from 18 to 50 years, without prejudice to the possibility of maintaining the initial term of 18 years by paying the greater tax due for the ordinary redemption transactions or revoking the transaction in full with a refund of the substitute tax paid.

The Bank decided not to exercise this option and, accordingly, continues to deduct these temporary differences over the longer time horizon introduced by the law. However, as a result of the extremely long tax amortisation period, the Bank prudentially did not to recognise DTAs the reversal period of which exceeds the maximum duration of 18 years, without prejudice to the recovery of the portions not recognised in the subsequent years, based on the results of recoverability tests. Upon recognition of the

above-mentioned realignments, initial recognition included, based on the method indicated in the OIC document application No. 1 of 1 February 2009, deferred tax assets (DTAs) for an amount of 6.5 million euros against 10.9 million euros overall receivable for the transactions carried out.

DTAs for tax losses carryforward relate for 298 thousand euros to BG Aequitum S.A.'s losses (former BG Valeur S.A.'s losses) and for the remainder to Intermonte Partners SIM S.p.A.

11.2 Breakdown of deferred tax liabilities

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
With impact on Profit and Loss Account	11,079	7,595
Off-balance sheet goodwill deduction	3,457	2,792
Intangible assets recognised upon PPA (trademarks and customer relationships)	3,148	400
Financial assets mandatorily measured at fair value through profit or loss (equity securities and policies)	756	721
Provision for termination indemnity (IAS 19)	152	152
Other	2,064	700
Retained earnings of subsidiaries (IAS 12, para. 38 40)	1,502	2,830
With impact on Net Equity	2,527	4,836
Measurement at fair value of HTCS financial assets	559	2,101
IAS 19-related actuarial gains on BVG pension funds	580	392
Cash flow hedge	1,388	2,343
Total	13,606	12,431

The DTLs relating to goodwill deducted on an off-balance sheet basis refer for 349 thousand euros to goodwill redeemed in accordance with Article 10 of Italian Legislative Decree No. 104/2021, and for 3,023 thousand euros to goodwill recognised following the acquisition of the business units of the former Credit Suisse and Binck Bank, and for 85 thousand euros to Nextam.

The DTLs relating to financial assets mandatorily measured at fair value refer to the revaluation of equity instruments and unit-linked policies, the tax relevance of which is deferred until realisation.

11.3 Change in deferred tax assets (offsetting entry to the Profit and Loss Account)

	31.12.2025	31.12.2024
1. Amount at year-start	83,402	68,219
2. Increases	37,429	36,715
2.1 Deferred tax assets recognised in the year:	35,427	36,715
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) reversals	-	-
d) other	35,427	36,715
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	2,002	-
of which:		
- arising from business combinations	1,993	-
3. Decreases	35,322	21,532
3.1 Deferred tax assets eliminated in the year:	35,287	21,061
a) transfers	34,717	21,061
b) write-downs for non-recoverability	-	-
c) change in accounting criteria	-	-
d) other	570	-
3.2 Decreases in tax rates	-	-
3.3 Other decreases:	35	471
a) conversion into tax credits pursuant to Law No. 214/2011	-	-
b) other	35	471
4. Amount at year-end	85,509	83,402

11.4 Changes in deferred tax assets pursuant to Law No. 214/2011

	31.12.2025	31.12.2024
1. Amount at year-start	3,535	4,658
2. Increases	-	-
3. Decreases	-	1,123
3.1 Transfers	-	1,123
3.2 Conversion into tax credits:	-	-
a) due to losses for the year	-	-
b) due to tax losses	-	-
3.3 Other decreases	-	-
4. Amount at year-end	3,535	3,535

11.5 Changes in deferred tax liabilities (offsetting entry to the Profit and Loss Account)

	31.12.2025	31.12.2024
1. Amount at year-start	7,595	5,594
2. Increases	6,254	3,514
2.1 Deferred tax liabilities recognised in the year:	2,705	3,514
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) other	2,705	3,514
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	3,549	-
of which:		
- arising from business combinations	3,544	-
3. Decreases	2,770	1,513
3.1 Deferred tax liabilities eliminated in the year:	2,770	1,513
a) transfers	404	321
b) change in accounting criteria	-	-
c) other	2,366	1,192
3.2 Decreases in tax rates	-	-
3.3 Other decreases	-	-
4. Amount at year-end	11,079	7,595

11.6 Changes in deferred tax assets (offsetting entry to Net Equity)

	31.12.2025	31.12.2024
1. Amount at year-start	1,260	2,059
2. Increases	2,030	691
2.1 Deferred tax assets recognised in the year:	2,027	691
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) other	2,027	691
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	3	-
3. Decreases	1,854	1,490
3.1 Deferred tax assets eliminated in the year:	368	1,291
a) transfers	368	1,291
b) write-downs for non-recoverability	-	-
c) change in accounting criteria	-	-
d) other	-	-
3.2 Decreases in tax rates	-	-
3.3 Other decreases	1,486	199
4. Amount at year-end	1,436	1,260

11.7 Changes in deferred tax liabilities (offsetting entry to Net Equity)

	31.12.2025	31.12.2024
1. Amount at year-start	4,836	912
2. Increases	542	4,181
2.1 Deferred tax liabilities recognised in the year:	495	4,181
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) other	495	4,181
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	47	-
<i>of which:</i>		
- <i>arising from business combinations</i>	44	-
3. Decreases	2,851	257
3.1 Deferred tax liabilities eliminated in the year:	1,365	55
a) transfers	719	55
b) change in accounting criteria	-	-
c) other	646	-
3.2 Decreases in tax rates	-	-
3.3 Other decreases	1,486	202
4. Amount at year-end	2,527	4,836

Section 12 – Non-current assets held for sale and disposal groups and associated liabilities - Item 120 (Assets) and Item 70 (Liabilities)

12.1 Non-current assets held for sale and disposal groups: categories

	31.12.2025	31.12.2024
A. Assets held for sale		
A.1 Financial assets	-	-
A.2 Equity investments	1,508	227
A.3 Property and equipment	-	-
<i>of which:</i>		
- <i>obtained through the enforcement of guarantees received</i>	-	-
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total (A)	1,508	227
<i>of which:</i>		
- <i>measured at cost</i>	-	-
- <i>measured at fair value Level 1</i>	-	-
- <i>measured at fair value Level 2</i>	-	-
- <i>measured at fair value Level 3</i>	-	-
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or loss	-	-
- HFT financial assets	-	-
- Financial assets designated at fair value	-	-
- Other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Property and equipment	-	-
<i>of which:</i>		
- <i>obtained through the enforcement of guarantees received</i>	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total (B)	-	-
<i>of which:</i>		
- <i>measured at cost</i>	-	-
- <i>measured at fair value Level 1</i>	-	-
- <i>measured at fair value Level 2</i>	-	-
- <i>measured at fair value Level 3</i>	-	-
C. Liabilities associated with assets held for sale		
C.1 Debts	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total (C)	-	-
<i>of which:</i>		
- <i>measured at cost</i>	-	-
- <i>measured at fair value Level 1</i>	-	-
- <i>measured at fair value Level 2</i>	-	-
- <i>measured at fair value Level 3</i>	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at amortised cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total (D)	-	-
<i>of which:</i>		
- <i>measured at cost</i>	-	-
- <i>measured at fair value Level 1</i>	-	-
- <i>measured at fair value Level 2</i>	-	-
- <i>measured at fair value Level 3</i>	-	-

12.2 Non-current assets held for sale and disposal groups: other information

On 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, Banca Generali's Board of Directors authorised to exercise the put option provided for in the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026.

Accordingly, pursuant to IFRS 5, at 31 December 2025 the equity investment was recognised among non-current assets held for sale for an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

The equity investment in Nextam Partners Sim S.p.A., recognised among assets held for sale in the Financial Statements at 31 December 2024, was sold in the second half of 2025.

Section 13 – Other assets - Item 130

13.1 Breakdown of other assets

	31.12.2025	31.12.2024
Fiscal items	200,360	144,933
Advances paid to Tax Authorities – current account withholdings	9,081	-
Advances paid to Tax Authorities – stamp duty	110,844	85,647
Advances of substitute tax on capital gains	64,077	33,365
Other advances paid to and sums due from Tax Authorities	1,739	801
Tax Authorities/VAT	80	74
Tax Authorities/Superbonus	13,353	24,374
Tax Authorities/other taxes to be refunded	441	638
Tax Authorities/Tax credits	745	34
Leasehold improvements	10,548	9,700
Operating loans not related to financial transactions	2,125	829
Sundry advances to suppliers and employees	8,190	5,809
Cheques under processing	5,039	4,221
Money orders and other amounts receivable	5,039	4,221
Other amounts to be debited under processing	87,871	80,460
Amounts to be settled in the clearing house (debits)	79	60
Clearing accounts for securities and funds procedure	53,830	51,141
Other amounts to be debited under processing	16,853	13,816
Assets from reclassification of portfolio subject to collection (SBF)	17,109	15,443
Amounts receivable for legal disputes not related to credit transactions	137	559
Trade receivables from customers and banks that cannot be traced back to specific items	68,420	63,502
Other amounts	244,908	226,913
Prepayments for the supplementary fees for Financial Advisor Network	65,098	63,910
Prepayments for ordinary incentives	124,428	117,539
Prepayments for three-year incentives	17,698	26,381
Other accrued income and deferred charges that cannot be traced back to specific items	37,061	18,588
Sundry amounts	623	495
Total	627,598	536,926

Receivables from Tax Authorities for current account withholdings, stamp duty and substitute taxes represent the positive imbalance between payments on account and the related payable to Tax Authorities.

Item "Tax Authorities/Tax credits" relates for 736 thousand euros to incentives for the purchase of 4.0 capital goods made in the 2021-2024 period and for which the preliminary application process was completed.

Other assets include assets associated with the incremental costs incurred to acquire or fulfil contracts with customers set out in IFRS 15, paragraphs 91-104.

Prepayments for the supplementary fees for the Financial Advisor Network refer to incremental fee expense of acquiring new customers paid to new Financial Advisors within the framework of recruitment programmes and based on the achievement of specific net inflow targets.

Prepayments for ordinary incentives paid to the Financial Advisor Network qualify instead as incremental costs for obtaining a contract or costs incurred to fulfil a contract and consist of fees paid annually to the existing Financial Advisor Network based on the achievement of net inflow targets, irrespective of whether they have been achieved by acquiring new customers or by strengthening relationships already in place with existing customers.

Costs are systematically amortised over a time horizon corresponding to the transfer to the customer of the goods or services to which the asset refers, estimated to amount to five years.

The changes in the main deferred charges during the year are shown below.

	31.12.2024	AMORTISATION	OF WHICH RELATED TO THE PREVIOUS YEAR	INCREASES	OTHER CHANGES	31.12.2025
Supplementary fees	63,910	-28,577	-22,765	29,765	-	65,098
Ordinary incentives	117,539	-57,302	-44,268	65,421	-1,230	124,428
Three-year incentives	26,381	-8,683	-8,683	-	-	17,698
Lux IM management fees	-	-4	-	975	-	971
Total network incentives	207,830	-94,566	-75,716	96,161	-1,230	208,195
Entry bonus on BG Solution portfolio management	8,958	-5,739	-4,105	18,902	67	22,188
Bonus on JPM funds	42	-29	-22	41	-	54
Total other acquisition costs	9,000	-5,768	-4,127	18,943	67	22,242
Total	216,830	-100,334	-79,843	115,104	-1,163	230,437

Other deferred charges that cannot be traced back to specific items include for 13,848 thousand euros prepaid expenses not accrued during the year and refer in particular to lease prepayments, insurance premiums and other general and administrative expenses.

PART B – INFORMATION ON THE CONSOLIDATED BALANCE SHEET - LIABILITIES

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

1.1 Financial liabilities measured at amortised cost: due to banks – categories

TYPE OF TRANSACTIONS/VALUES	31.12.2025				31.12.2024			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		L1	L2	L3		L1	L2	L3
1. Due to Central Banks	-	X	X	X	-	X	X	X
2. Due to banks	310,290	X	X	X	356,431	X	X	X
2.1 Current accounts and demand deposits	56,686	X	X	X	66,446	X	X	X
2.2 Term deposits	30,000	X	X	X	3,001	X	X	X
2.3 Loans	206,212	X	X	X	281,270	X	X	X
2.3.1 Repurchase agreements	186,024	X	X	X	272,338	X	X	X
2.3.2 Other	20,188	X	X	X	8,932	X	X	X
2.4 Liabilities for repurchase commitments of own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease debts	1,456	X	X	X	-	X	X	X
2.6 Other debts	15,936	X	X	X	5,714	X	X	X
Total	310,290	-	310,290	-	356,431	-	356,431	-

The item “Other debts” refers for 5,467 thousand euros to deposits made by EFG Bank S.A. as a guarantee for some non-performing exposures, arising on the acquisition of Banca del Gottardo Italia (collateral deposits). The remainder consists almost entirely of collateral margins on repurchase agreements and transactions in derivatives.

Item “2.3.2 Loans – Other” includes 20,188 thousand euros due to lending transactions of equity securities executed by the subsidiary Intermonete SIM S.p.A.

1.2 Financial liabilities measured at amortised cost: due to customers – categories

TYPE OF TRANSACTIONS/VALUES	31.12.2025				31.12.2024			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		L1	L2	L3		L1	L2	L3
1. Current accounts and demand deposits	13,652,455	X	X	X	12,698,080	X	X	X
2. Term deposits	60,823	X	X	X	244,069	X	X	X
3. Loans	1,471,120	X	X	X	886,084	X	X	X
3.1 Repurchase agreements	1,336,525	X	X	X	779,115	X	X	X
3.2 Other	134,595	X	X	X	106,969	X	X	X
4. Liabilities for repurchase commitments of own equity instruments	-	X	X	X	-	X	X	X
5. Lease debts	137,093	X	X	X	130,206	X	X	X
6. Other debts	190,856	X	X	X	206,407	X	X	X
Total	15,512,347	-	15,512,347	-	14,164,846	-	14,164,846	-

Item “3.2 Loans – Other” refers entirely to collateral margins on repurchase agreements and transactions in derivatives.

Item 5 “Lease debts” includes the liability relating to lease payments determined on the basis of IFRS 16 – *Leases*, which entered into force on 1 January 2019.

Item 6 “Other debts” refers for 163,535 thousand euros to trade payables to the Financial Advisor Network and, for the remaining amount, to the stock of money orders issued by the parent company Banca Generali in relation to claims payment of Generali Group insurance companies and other sums made available to customers.

1.3 Financial liabilities measured at amortised cost: debt securities outstanding – categories

TYPE OF SECURITIES/VALUES	31.12.2025				31.12.2024			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. Bonds	100,081	-	100,081	-	-	-	-	-
1.1 Structured	-	-	-	-	-	-	-	-
1.2 Other	100,081	-	100,081	-	-	-	-	-
2. Other securities	-	-	-	-	-	-	-	-
2.1 Structured	-	-	-	-	-	-	-	-
2.2 Other	-	-	-	-	-	-	-	-
Total	100,081	-	100,081	-	-	-	-	-

In December 2025, a preferred senior bond was issued for an aggregate value of 100 million euros, fully subscribed by Assicurazioni Generali through a private placement, with a view to increasing operational flexibility and efficiency. As regards the terms of the issue, it should be noted that the annual coupon was set at 3.345%. The issue has a maturity of 5 years set on 22 December 2030 and the issuer will be entitled to early redemption after 4 years of the issue date. The issue meets the MREL eligibility criteria imposed by the legislation in force.

1.6 Lease debts

Lease debts recognised in the Financial Statements at 31 December 2025 amounted to 138,549 thousand euros.

The following table shows the maturity of these lease debts in accordance with paragraphs 53(g) and 58 of IFRS 16 – *Leases*:

RESIDUAL LEASE DEBTS – YEAR	AMOUNT
2026	22,709
2027	21,752
2028	20,096
2029	17,918
2030	15,463
2031	12,311
2032	11,576
2033	7,033
2034	3,735
2035	2,679
2036	2,119
2037	973
2038	185

Section 2 – Financial liabilities held for trading - Item 20

2.1 HFT financial liabilities: categories

TYPE OF TRANSACTIONS/VALUES	31.12.2025					31.12.2024				
	NV	FV				NV	FV			
		L1	L2	L3	FV (*)		L1	L2	L3	FV (*)
A. Cash liabilities										
1. Due to banks	1,067	11,790	-	-	11,790	-	-	-	-	-
2. Due to customers	71,940	75,679	-	88	75,772	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2. Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	73,007	87,469	-	88	87,562	-	-	-	-	
B. Derivatives										
1. Financial	-	11,186	6,263	-	-	-	-	108	-	-
1.1 Trading	X	11,186	6,263	-	X	X	-	108	-	X
1.2. Related to the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit	-	-	-	-	-	-	-	-	-	-
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2. Related to the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	X	11,186	6,263	-	X	X	-	108	-	X
Total (A+B)	X	98,655	6,263	88	X	X	-	108	-	X

(*) FV measured without taking account of issuer's creditworthiness changes compared to issue date.

Cash HFT financial liabilities amounted to 87,557 thousand euros and refer to amounts due to banks and customers for overdrafts of securities accounts.

Financial derivatives include 17,344 thousand euros for options on equity securities of the subsidiary Intermonte SIM S.p.A. and 105 thousand euros for hedged trading transactions relating to currency outright with customers as counterparty, fully offset in Item 20 – Assets.

Section 4 – Hedging derivatives - Item 40

In the year, the Bank continued its derivative activity entering into interest rate swaps to hedge debt securities, mostly Italian and foreign fixed-rate and index-linked government bonds allocated to the HTCS and HTC portfolios. For each hedging derivative, a highly effective micro fair value hedging relationship is formed.

The micro hedging derivatives portfolio also includes some cash flow hedge counter-hedges, mostly to hedge the HTC portfolio. In particular, these were hedges aimed at stabilising the future cash flows of fixed-rate asset swaps, even limited to a time portion thereof, through trading of forward IRSs.

A macro hedge is also applied to cover interest-rate risk of demand liabilities by entering into IRS contracts.

At 31 December 2025, the notional amounts of the hedging derivative liabilities outstanding amounted to approximately 5,318.8 million euros, of which 5,129.1 thousand euros relating to fair value hedges and 189.7 thousand euros relating to cash flow hedges.

4.1 Breakdown of hedging derivatives by type of hedge and hierarchy levels

	31.12.2025				31.12.2024			
	FAIR VALUE			NOTIONAL VALUE	FAIR VALUE			NOTIONAL VALUE
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	-	188,984	-	5,318,759	-	176,946	-	3,449,915
1) Fair value	-	187,816	-	5,129,100	-	176,552	-	3,249,256
2) Cash flows	-	1,168	-	189,659	-	394	-	200,659
3) Net investment in a foreign operation	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	188,984	-	5,318,759	-	176,946	-	3,449,915

4.2 Breakdown of hedging derivatives by portfolios hedged and type of hedge

HEDGING TRANSACTIONS/TYPE	FAIR VALUE						CASH FLOWS			
	MICRO HEDGES									
	DEBT SECURITIES AND INTEREST RATES	EQUITY SECURITIES AND STOCK INDICES	CURREN- CIES AND GOLD	CREDIT	GOODS	OTHER	MACRO HEDGES	MICRO HEDGES	MACRO HEDGES	NET INVEST- MENT IN A FOREIGN OPERATION
1. Financial assets measured at fair value through other comprehensive income	80	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	182,425	X	-	-	X	X	X	1,168	X	X
3. Portfolio	X	X	X	X	X	X	5,311	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	182,505	-	-	-	-	-	5,311	1,168	-	-
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	-	X	-	-	-	-	-	-	-	X
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 5 – Adjustment to macro-hedged financial liabilities - Item 50

5.1 Adjustment to hedged financial liabilities

ADJUSTMENT TO HEDGED LIABILITIES/GROUP COMPONENTS	31.12.2025	31.12.2024
1. Positive adjustment to financial liabilities	-	2,141
2. Negative adjustment to financial liabilities	4,532	-
Total	-4,532	2,141

The balance of this item represents the valuation effect of demand deposit liabilities macro-hedged against interest rate risk.

Section 6 – Tax liabilities - Item 60

Section 11 (Assets) provides an analysis.

Section 7 – Liabilities associated to assets held for sale - Item 70

Section 12 (Assets) provides an analysis.

Section 8 – Other liabilities - Item 80

8.1 Breakdown of other liabilities

	31.12.2025	31.12.2024
Trade payables	37,441	33,061
Due to suppliers	36,538	32,370
Due for payments on behalf of third parties	903	691
Due to staff and social security institutions	40,062	33,562
Due to staff for accrued annual leave, etc.	7,062	4,974
Due to staff for productivity bonuses to be paid out	21,576	19,204
Contributions to be paid to social security institutions	5,271	3,766
Contributions to Financial Advisors to be paid to Enasarco	6,153	5,618
Tax Authorities	59,035	63,720
Withholding taxes to be paid to Tax Authorities on behalf of employees and contract workers	9,076	7,197
Current account withholdings	-	16,465
Withholding taxes to be paid to Tax Authorities on behalf of customers	13,583	14,011
Notes to be paid into collection services	25,775	22,509
VAT payables	1,775	3,186
Tax liabilities – other (stamp duty and substitute tax on medium-/long-term loans)	1,509	352
Extraordinary contribution to unlock the Windfall Tax reserve (Art. 1, para. 68-73, of Law 199/2025)	7,317	-
Amounts to be debited under processing	76,768	83,135
Bank transfers, cheques and other sums payable	2,481	2,814
Amounts to be settled in the clearing house (credits)	37,117	35,597
Liabilities from reclassification of portfolio subject to collection (SBF)	205	279
Other amounts to be debited under processing	36,965	44,445
Sundry items	96,189	85,466
Amounts to be credited	7,847	8,226
Sundry items	6,568	2,631
Amounts due as contribution to the Guarantee Fund for the Life Insurance Sector	2,417	2,230
Amounts due to Shareholders for dividends to be distributed	75,954	70,111
Accrued expenses and deferred income that cannot be traced back to specific items	3,014	1,971
Sums made available to customers	389	297
Total	309,495	298,944

As regards amounts due to Tax Authorities in light of the extraordinary contribution to unlock the Windfall Tax reserve, it should be recalled that Article 26 of Italian Law Decree No. 104/2023 had introduced an extraordinary tax to be levied on banks and calculated by applying a rate of 40% to the amount of net interest income recognised in 2023, with a tax cap equal to 0.26% of the RWAs recognised at the end of 2022. Alternatively, they could opt to book a non-distributable equity reserve of 2.5 times the amount of the tax, which the Bank had exercised, booking 26.6 million euros.

The 2026 Budget Law (Article 1, paragraphs 68-73 of Italian Law No. 199/2025) then established that any profit distribution made in financial years following 1 January 2028 would be automatically drawn from the above-mentioned reserve, resulting in the application of the originally envisaged 40% rate, in addition to the related interest, while also providing the option to pay an extraordinary contribution to unlock the said reserve calculated by applying lower rates, namely a 27.5% rate on the amount of the reserve at 31 December 2025 or a 33% rate of the amount of the reserve at 31 December 2026.

From an accounting perspective, it also clarified that the tax amount should be recognised as soon as the financial statements for the year ending 31 December 2025 with a balancing entry to an equity reserve and that, in order to be entitled to apply the lower rates in calculating the extraordinary contribution, the entity should formalise such decision before approving the 2025 draft financial statements.

Accordingly, on 11 February 2025, the Bank's Board of Directors resolved to authorise the unlocking of the reserve and the ensuing payment of the 27.5% extraordinary contribution, amounting to **7.3 million euros**, to be paid within the term set for the payment of the balance of income taxes for the same fiscal year.

Pursuant to paragraphs 116 a) and 116 b) of IFRS 15, it is reported that item "deferred income" includes liabilities associated with contracts within the scope of application of IFRS 15 and relating to three-year up-front fees received in connection with the distribution of certain classes of foreign UCITS.

Opening balance at 01.01.2025	57
Increases	50
Decreases due to the transfer to profit and loss	-41
<i>of which:</i>	
– relating to prior years	-22
Closing balance at 31.12.2025	66

Section 9 – Provisions for termination indemnity - Item 90

9.1 Provisions for termination indemnity: year changes

	31.12.2025	31.12.2024
A. Amount at year-start	3,402	3,772
B. Increases	232	149
B.1 Provisions for the year	101	113
B.2 Other increases	131	36
<i>of which:</i>		
– arising from business combinations	46	-
C. Decreases	695	519
C.1 Amounts paid	695	519
C.2 Other decreases	-	-
D. Amount at year-end	2,939	3,402

9.2 Other information

The amount of termination indemnity for employees can be considered as a non-financial defined benefit plan after the termination of the employment, in accordance with IAS 19.

The provision was measured based on the actuarial value using the methods described in Part. A.2 of these Notes and Comments.

The following are the main actuarial assumptions used and the breakdown of the provision for the year and actuarial gains/(losses):

	31.12.2025	31.12.2024
Discount rate ^(*)	3.39%	3.14%
Annual inflation rate	2.00%	2.00%
Salary increase rate	2.00%	2.00%
Average duration (years)	7	7

(*) Rate applied to Banca Generali.

	31.12.2025	31.12.2024
1. Provisions:	101	113
- current service cost	6	6
- interest cost	95	107
2. Actuarial gains and losses:	85	36
- based on financial assumptions	-77	-26
- based on actuarial demographic assumptions	162	62
Total provisions for the year	186	149
Actuarial value	2,939	3,402
Value calculated re. Article 2120 of the Italian Civil Code	2,838	3,553

Section 10 – Provisions for liabilities and contingencies - Item 100

10.1 Breakdown of provisions for liabilities and contingencies

ITEMS/COMPONENTS	31.12.2025	31.12.2024
1. Provisions for credit risk relating to commitments and financial guarantees issued	26,192	11,796
2. Provisions for other commitments and other guarantees issued	-	-
3. Company provisions for pensions	3,278	3,145
4. Other provisions for liabilities and contingencies	306,766	326,036
4.1 Legal and tax disputes	15,493	14,373
4.2 Staff	19,986	17,726
4.3 Other	271,287	293,937
Total	336,236	340,977

Breakdown of other provisions for liabilities and contingencies

	31.12.2025	31.12.2024
Provisions for staff expenses	19,986	17,726
Provision for restructuring plan	7,485	8,800
Provision for staff expenses – other	12,501	8,926
Provisions for legal disputes	14,922	14,229
Provision for risks related to legal disputes connected with the Financial Advisor Network's embezzlements	5,060	4,694
Provision for risks related to legal disputes with the Financial Advisor Network	115	313
Provision for risks related to legal disputes with employees	100	-
Provision for other legal disputes	9,647	9,222
Provisions for termination indemnity of Financial Advisors	217,249	207,988
Provision for termination indemnity of the Financial Advisor Network	104,742	99,552
Provision for management development indemnity	17,437	13,132
Provision for portfolio overfee indemnities	6,615	7,509
Provision for pension bonuses	9,072	8,799
Provisions for Framework Loyalty Programme	35,969	35,582
Provision for three-year incentives	43,414	43,414
Provisions for Financial Advisor Network incentives	31,223	28,940
Provision for Financial Advisor Network development plans	22,995	21,263
Provision for deferred bonus	74	65
Provision for sales incentives	1,822	1,822
Provision for fees – travel incentives	6,000	5,300
Provision for other fee plans	332	490
Provisions for tax and contributions/pension dispute	571	144
Other provisions for liabilities and contingencies	22,815	57,009
Total	306,766	326,036

10.2 Provisions for liabilities and contingencies: year changes

	PROVISIONS FOR CREDIT RISK RELATING TO COMMITMENTS AND FINANCIAL GUARANTEES ISSUED	PROVISIONS FOR PENSIONS	OTHER PROVISIONS FOR LIABILITIES AND CONTINGENCIES	TOTAL
A. Amount at year-start	11,796	3,145	326,036	340,977
B. Increases	73,823	2,478	63,794	140,095
B.1 Provisions for the year	43,306	645	63,794	107,745
B.2 Changes due to the passage of time	-	-	-	-
B.3 Changes due to different discount rates	-	-	-	-
B.4 Other increases	30,517	1,833	-	32,350
C. Decreases	59,427	2,345	83,064	144,836
C.1 Use in the year	59,403	-	38,116	97,519
C.2 Changes due to different discount rates	-	-	-	-
C.3 Other decreases	24	2,345	44,948	47,317
D. Amount at year-end	26,192	3,278	306,766	336,236

Other provisions for liabilities and contingencies – details of movements

	31.12.2024	USES	SURPLUS	OTHER CHANGES	PROVISIONS	31.12.2025
Provision for staff expenses	17,726	-3,064	-188	431	5,081	19,986
Provision for restructuring plan	8,800	-1,120	-	-195	-	7,485
Provisions for staff expenses – other	8,926	-1,944	-188	626	5,081	12,501
Provisions for legal disputes	14,229	-6,037	-1,864	-	8,594	14,922
Provision for risks related to legal disputes connected with the Financial Advisor Network's embezzlements	4,694	-469	-182	-	1,017	5,060
Provision for risks related to legal disputes with the Financial Advisor Network	313	-233	-262	-	297	115
Provision for risks related to legal disputes with employees	-	-	-	-	100	100
Provision for other legal disputes	9,222	-5,335	-1,420	-	7,180	9,647
Provisions for expenses due to Financial Advisors' contractual indemnities	207,988	-1,651	-3,302	-8,683	22,897	217,249
Provision for termination indemnity of the Financial Advisor Network	99,552	-1,542	-2,149	-	8,881	104,742
Provision for portfolio overfee indemnities	7,509	-3	-891	-	-	6,615
Provision for management development indemnity	13,132	-	-129	-	4,434	17,437
Provision for pension bonuses	8,799	-106	-133	-	512	9,072
Provision for Framework Loyalty Programme	35,582	-	-	-	387	35,969
Provision for three-year incentives	43,414	-	-	-8,683	8,683	43,414
Provisions for Financial Advisor Network incentives	28,940	-16,983	-975	-	20,241	31,223
Provision for Financial Advisor Network development plans	21,263	-11,193	-975	-	13,900	22,995
Provision for deferred bonus	65	-	-	-	9	74
Provision for sales incentives	1,822	-	-	-	-	1,822
Provision for fees – travel incentives	5,300	-5,300	-	-	6,000	6,000
Provision for fee plans	490	-490	-	-	332	332
Provisions for tax and contributions/pension dispute	144	-96	-	-	523	571
Other provisions for liabilities and contingencies	57,009	-10,285	-350	-30,017	6,458	22,815
Total	326,036	-38,116	-6,679	-38,269	63,794	306,766

10.3 Provisions for credit risk relating to commitments and financial guarantees issued

PROVISIONS FOR CREDIT RISK RELATING TO COMMITMENTS AND FINANCIAL GUARANTEES ISSUED

	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED	TOTAL
1. Commitments to disburse funds	-	-	-	-	-
2. Financial guarantees issued	41	39	19	26,093	26,192
Total	41	39	19	26,093	26,192

The provision for credit risk relating to financial guarantees issued, considered impaired at the acquisition date, refers to several agreements entered into by the Bank to cover possible losses suffered by its customers in relation to the non-repayment of principal, within the contractual terms, of some securitised senior notes for which the Bank had acted as distributor.

Based on the agreements with customers, gross guarantees amounting to 32,637 thousand euros came due at year-end and were enforced in February 2026.

At 31 December 2025, a provision for expected losses was set aside for the guarantees issued, measured pursuant to IFRS 9, paragraph 5.5.1.

10.5 Defined benefit company pension funds

10.5.1 Characteristics of the funds and related risks

The item "Pension funds" refers to the supplementary pension plan for employees of BG Aequitum S.A. and BG (Suisse) Private Bank S.A., which under local pension legislation (LLP) provides mandatory supplementary benefits upon meeting pension requirements or an adverse event (death or disability).

Pension obligations are covered by segregated assets, managed under a contractual relationship between the company and Swiss Life Collection BVG Foundation.

In turn, the Foundation fully reinsures all disability, death and longevity risks, including investment risk, with the insurer Swiss Life AG, which invests the capital, guaranteeing the repayment of 100% of capital plus interest at a guaranteed rate.

In 2025, the guaranteed rate was 1.25% for the mandatory cover and 0.50% for the optional cover.

Contributions to the plan are paid by employees and the employer, with regard to both pension entitlement and coverage of the death and disability risk benefits. The cumulative balance of the pension account is based on the pension contributions made by the employee and employer and the interest accrued. The amount of the pension payable upon retirement is calculated by applying an annuity conversion rate established by the law and plan rules to the cumulative balance of each participant's pension account.

Although the Swiss supplementary pension system operates as a defined-contribution plan pursuant to local legislation, under IAS 19 – *Employee Benefits* it is accounted for as a defined benefit pension plan, due to the presence of the guaranteed return on investment, a fixed rate of conversion of the pension amount into a life annuity and the obligation for the participants to intervene if the plan is underfunded.

The liability and cost relating to this plan are calculated on the basis of actuarial assumptions applying the Projected Unit Credit Method. This method calls for future outlays to be projected on the basis of historical statistical and demographic curve analyses and discounting of the cash flows in question at a market interest rate. The contributions paid in each year are considered separate units, recognised and measured individually to determine the final obligation.

The rate used for discounting is determined by reference to the yields on "high quality corporate bonds", and in particular yields observed on the Swiss market for maturities between 15 and 20 years.

The present value of the obligation at the reporting date is also stated net of the fair value of the assets in service of the plan.

Actuarial gains and losses on defined benefit plans are taken to the statement of other comprehensive income (OCI).

10.5.2 Year changes in net defined benefit liabilities (assets) and reimbursement rights

The following table shows the changes in liabilities and assets associated with the defined benefit plan in 2025:

	LIABILITIES OF THE DBO PENSION FUND	ASSETS IN SERVICE OF THE PLAN (FAIR VALUE)	PROVISIONS FOR PENSIONS
Amount at year-start	-23,594	20,449	-3,145
Current service cost	-612	-	-612
Interest (expense)/income	-238	205	-33
Other increases	-7,361	5,550	-1,811
<i>of which:</i>			
- arising from business combinations	-7,124	5,376	-1,748
Return on assets, net of interest	-	-22	-22
Actuarial gains (losses) arising from changes in demographic assumptions	-	-	-
Actuarial gains (losses) arising from changes in financial assumptions	1,726	-	1,726
Employer contributions paid	-	619	619
Employer contributions paid to meet benefits directly	-486	486	-
Plan beneficiaries' contributions	-1,549	1,549	-
Indemnities paid	8,393	-8,393	-
Other decreases	-	-	-
Amount at year-end	-23,721	20,443	-3,278

10.5.3 Fair value of the assets in service of the plan

The assets in service of the plan consist solely of the value of the insurance policy covering the plan.

10.5.4 Description of the main actuarial assumptions

The following table presents the main actuarial assumptions and reference rates used:

	31.12.2025 BG AEQUITUM S.A.	31.12.2025 BG (SUISSE) PRIVATE BANK S.A.
Discount rate	1.30%	0.95%
Salary increase rate	1.20%	1.20%
Men's retirement age	65 years	65 years
Women's retirement age	65 years	65 years
Demographic tables used	BVG 2020 GT	BVG 2020 GT
Average duration (years) ^(*)	7.8	9.4

10.5.5 Amount, timing and uncertainty of cash flows

The sensitivity analysis was conducted on the DBO value presented in Table 10.5.2 above.

The results presented below express the percent change in the defined benefit obligation resulting from a +/-50 bps change in the discounting rate or the salary increase rate or a change in life expectancy of +/-1 year:

SENSITIVITY ANALYSIS	% CHANGE BG AEQUITUM S.A.	% CHANGE BG (SUISSE) PRIVATE BANK S.A.
Sensitivity analysis on discount rate		
Discount rate +0.50%	-6.90%	-7.30%
Discount rate -0.50%	7.90%	8.30%
Sensitivity analysis on salary increase rate		
Salary increase rate +0.50%	0.40%	-0.10%
Salary increase rate -0.50%	-0.40%	0.10%
Sensitivity analysis on mortality assumptions		
Life expectancy +1 year	1.00%	1.30%
Life expectancy -1 year	-1.10%	-1.30%

The average duration of the defined benefit obligation was 9.4 years for BG (Suisse) Private Bank S.A. and 7.8 years for BG Aequitum S.A.

10.6 Provisions for liabilities and contingencies – other provisions

10.6.1 Provisions for staff expenses

Provisions for staff expenses include the following amounts:

- › the share of the variable remuneration of managers of the Banking Group deferred up to two years and conditional upon continuing satisfaction of the predetermined quantitative levels of asset solidity and liquidity (access gates) established in compliance with the Banking Group's Remuneration Policy;
- › allocations to the provision for the recruitment plans regarding new employed Relationship Managers (RMs), valued also based on the specific contractual conditions agreed upon and on the probability to achieve the net inflow targets set;
- › allocations for post-employment medical benefits of Group's managers, valued using the actuarial method pursuant to IAS 19;
- › the provision related to the performance bonus, if at the reporting date the company supplementary contract (CIA) has expired or has not been renewed yet.

The above-mentioned provisions have as their balancing entries item "Staff expenses".

Provisions for staff expenses also include, to a lesser extent, provisions outside the scope of IAS 19 but for which IAS 37 applies and that have therefore as their balancing entries net provisions for liabilities and contingencies.

10.6.2 Restructuring provisions – Redundancy incentives plan

The voluntary redundancy plan covered by the specific company restructuring provision was launched at the end of 2015 to encourage the rotation of resources through incentives for voluntary departure for groups of employees nearest to retirement age and the filling of the resulting vacant positions with professional and/or managerial profiles more suited to the specific skills now required from a business standpoint.

In December 2024, the Board of Directors extended the voluntary redundancy plan, for a final provision amounting to 8.8 million euros.

At 31 December 2025, this provision amounted to 7.5 million euros.

10.6.3 Provisions for legal disputes

This type of provisions for risks includes provisions for litigations related to Financial Advisor Network's embezzlements after insurance coverage, as well as those with disputes currently underway with the Financial Advisor Network and employees and other court and out-of-court disputes with customers and other entities.

10.6.4 Provisions for contractual indemnities for the Financial Advisor Network

These include provisions for termination indemnities paid to the Financial Advisor Network, portfolio overfee indemnities, pension bonus, the provision associated with the Framework Loyalty Programme (approved by the General Shareholders' Meeting on 20 April 2017) and the provision for management development indemnity, in addition to the provision for three-year incentives.

The provision covering the cost of the **termination indemnity** of Financial Advisors with an agency agreement is valued as provided for by the law (Article 1751 of the Italian Civil Code) and the specific disbursement criteria defined by Banca Generali. Further details on the latter are provided in Part A.2 of the Notes and Comments to the Consolidated Financial Statements for the year ended on 31 December 2025.

The expenses associated with obligations extant at year-end relating to Financial Advisors are valued using the statistical-actuarial method, with the advice of independent professionals.

The following are the main actuarial assumptions adopted:

TERMINATION INDEMNITY	31.12.2025	31.12.2024
Discount rate ¹¹	3.7%	3.7%
Turnover rate (professionals)	1.18%	1.12%
Average duration (years)	11 years	11 years
IAS 37 DBOs/Indemnity provision at the measurement date	58.95%	60.68%

¹¹ The discount rate was determined on the basis of an average EURIRS curve for the last four quarters, increased linearly by the spread between the EURIRS rate and 10-year BTP.
The rate represented is the rate that corresponds to the average duration of the relevant liabilities, i.e., 11 years.

The ratio of Deferred Benefit Obligations (DBOs) to the nominal value of the accrued obligation towards Financial Advisors is given using the value of the provision after one-off deductions related to seniority of service.

The increase in the provision for termination indemnities accrued by Financial Advisors in the year was largely due to the effect of the increase in fee bases and, to a lower extent, to the decrease in the discount rate applied.

A specific measurement is made for Financial Advisors who have left service.

The indemnity already accrued by Financial Advisors formerly employed by Credit Suisse, totalling 2.1 million euros, is still based on the payment criteria established by the previous employer and was recognised under provisions for risks. Their indemnity accrued with Banca Generali will be due only for any amount exceeding that accrued with Credit Suisse.

The **portfolio overfee indemnities** are instead a scheme (further details are provided in Part A.2 of the Notes and Comments to the Consolidated Financial Statements as at 31 December 2025) that calls for Financial Advisors with at least five years of seniority who leave service permanently to be entitled to an indemnity commensurate to the profitability of the portfolio previously managed, in case of reassignment of the latter.

The indemnity due to the outgoing Financial Advisor is entirely borne by the incoming Financial Advisor identified by the Company, except for a residual guarantee by the Bank — equal to 25% of the total indemnity — in the event of termination for death or permanent disability.

Even in this case, the charge is determined based on the statistical actuarial method, with the support of independent experts and with reference to the percentage of the Bank's residual risk, i.e., 25% of the indemnity due in case of death or permanent disability.

The **"pension bonus"** is a component of the Financial Advisor Network's indemnity plans, which entailed the yearly provision of an amount based on the achievement of pre-set sales objectives and to be paid only upon final termination for retirement or permanent disability. The actuarial method is used also for this type of evaluation. This incentive has been discontinued as of 2016, without prejudice to the rights acquired by the beneficiaries in previous years.

Within the framework of provisions for contractual indemnities, on 21 March 2017 the Board of Directors granted its final approval for a **Framework Loyalty Programme for the BG Network** aimed at improving the retention of the Network and the customers acquired over time, and creating value for the Group by promoting stable, high-quality net inflows.

The Framework Loyalty Programme was initially divided into eight separate plans, all set to expire on 31 December 2026 and of decreasing lengths, which could be activated from one year to the next, with the authorisation of Banca Generali Group's corporate bodies and in accordance with its remuneration policies.

On 21 April 2022, the General Shareholders' Meeting resolved to suspend the Loyalty Framework Programme for the BG Network and accordingly the 6th 2022-2026 cycle was not activated.

The individual plans of the Framework Loyalty Programme for the BG Network already underway will all expire on 31 December 2026, after decreasing lengths, and each will allow part of the bonus to be paid in cash and part in shares of Banca Generali (max 50%), after having assessed their effects at the level of capital ratios and free float. The Banca Generali shares for each of the plans will be purchased on the market after authorisation is granted, from one year to the next, by the corporate bodies (Board of Directors and Shareholders' Meeting) and the Regulator.

Provisions for contractual indemnities refer also to the charge relating to the **management development indemnity** mechanism, approved by the Board of Directors in June 2018 and intended to ensure fair treatment of all network managers in the event of dismissal from their additional roles.

The 2022-2024 **three-year incentive plan**, approved by the Board of Directors on 18 March 2022 and further adjusted on 5 March 2024, is in addition to the annual incentives for the BG Network and is tied to the achievement of both several overall objectives set at the Banking Group level in terms of total net inflows and recurring fee income, established in the new Strategic Plan, and individual objectives.

All Financial Advisors, Relationship Managers and Network Managers in service at 31 December 2019 are entitled to the three-year incentives.

At 31 December 2024, the plan ended with full achievement of the three-year net inflows and cumulated recurring fee income objectives.

The three-year bonus will therefore be paid in 2026, provided that on 31 December 2025 the net inflow targets reached are no less than 90% of net inflows generated at the end of the three-year plan period.

Under the plan, special rules also apply to Financial Advisors eligible to participate in the previous Loyalty Framework Programme, for which a bonus floor applies, to be paid at the end of the three-year period if other conditions are met, provided that beneficiaries have reported no net outflows.

The multi-year incentives, tied to net inflow targets, qualify as costs of obtaining a contract pursuant to IFRS 15 and are expensed over a five-year period, like other similar incentives granted to the BG Network.

In addition, the Plan calls for the payment of the cash bonus only, with the sole exception of beneficiaries qualifying as Key Personnel in the three-year period, to whom the specific provisions of the Remuneration Policies (deferral, shared-based payment, etc.) apply.

10.6.5 Provisions for Financial Advisor Network incentives

This aggregate includes:

- › the estimated charges accrued in relation with several recruitment plans for middle-term expansion of managed portfolios. These plans envisage different kinds of incentives (entry bonus, deferred bonus, total assets bonus, etc.) related to the achievement of net inflow targets and the presence in the Company for one or more years (up to 5 or 7 years);
- › provisions for incentive plans based on the network's performance for the period, including the BG Premier Club trip and other special fee plans (supplementary allowances, stabilisers, target-achievement bonuses, etc.) that involve the payment of benefits or increases in advances paid when certain future conditions are met, such as continuous service on the network or the achievement of sales targets.

10.6.6 Tax and social security dispute

This item includes prudential provisions amounting to 571 thousand euros, mainly allocated due to social contributions.

10.6.7 Other provisions for liabilities and contingencies

Other provisions for liabilities and contingencies include provisions for operating risks.

In detail, other provisions for liabilities and contingencies included a total of 43.0 million euros to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, and to sustain customer retention. The latter also included provisions to hedge credit risk relating to guarantees issued amounting to 26.1 million euros.

In 2025, the provision rose by 45.5 million euros due to the use of 65.7 million euros mainly attributable to enforcement of guarantees issued to customers (59.4 million euros), settlement fees, other activities in favour of customers and costs for legal proceedings in progress against issuers of the illiquid instruments.

Section 13 – Group net equity - Items 120, 130, 140, 150, 160, 170 and 180

13.1 Breakdown of share capital and treasury shares

	UNIT VALUE	NUMBER	BOOK VALUE (€ THOUSAND)
Share capital			
- ordinary shares	1.00	116,851,637	116,852
Treasury shares			
- ordinary shares	1.00	-2,943,019	-96,168
Total		113,908,618	20,684

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

ITEMS/TYPES	ORDINARY	OTHER
A. Existing shares at year-start	116,851,637	-
- paid up	116,851,637	-
- partially paid	-	-
A.1 Treasury shares (-)	-2,907,907	-
A.2 Outstanding shares: at year-start	113,943,730	-
B. Increases	376,668	-
B.1 Newly issued shares		
- against payment:	-	-
- business combinations	-	-
- bonds conversion	-	-
- exercise of warrants	-	-
- other	-	-
- for free:	-	-
- to staff	-	-
- to directors	-	-
- other	-	-
B.2 Disposal of treasury shares	376,668	-
B.3 Other changes	-	-
C. Decreases	-411,780	-
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-410,780	-
C.3 Disposal of companies	-	-
C.4 Other changes	-1,000	-
D. Outstanding shares: at year-end	113,908,618	-
D.1 Treasury shares (+)	2,943,019	-
D.2 Existing shares at year-end	116,851,637	-
- paid up	116,851,637	-
- partially paid	-	-

Item "C.4 Other increases" refers to Intermonte SIM's treasury shares.

13.3 Share capital: other information

At the reporting date, the share capital of the Bank consisted of 116,851,637 ordinary shares with no nominal value, with regular dividend entitlement, and it was fully paid up.

13.4 Earnings reserves: other information

	31.12.2024	PROFIT ALLOCATION - DIVIDEND DISTRIBUTION	BUY-BACK/ DISPOSAL OF TREASURY SHARES	ISSUE OF NEW SHARES	STOCK OPTION PLANS AND OTHER IFRS 2-RELATED CHARGES	STOCK GRANT PLANS LTIP	OTHER CHANGES	31.12.2025
Legal reserve	23,370	-	-	-	-	-	-	23,370
Restricted reserve for shares of the Parent Company	1,687	-	-	-	-	-	524	2,211
Merger surplus reserve – BG SGR	3,853	-	-	-	-	-	-	3,853
Merger surplus reserve – BG Fiduciaria	10,901	-	-	-	-	-	-	10,901
Merger deficit reserve – Nextam S.p.A.	-802	-	-	-	-	-	-	-802
Reserves for IFRS 9 and IFRS 15 FTA	4,768	-	-	-	-	-	-	4,768
Share-based payments reserve (IFRS 2) – plans ended	507	-	-	-	-	-	-	507
IFRS 2 reserves – LTIP cycles ended ⁽¹⁾	10,550	-	-	-	-	-	-	10,550
IFRS 2 reserves – LTI plans based on BG shares	5,901	-	-1,908	-	2,443	-	-	6,436
IFRS 2 reserves – BG Intermonte shares	-	-	-	-	972	-	-	972
IFRS 2 reserve – share-based plan	1,267	-	-	-	-	496	-	1,763
IFRS 2 reserve – Key Personnel remuneration	13,670	-	-8,187	-	11,460	-	-	16,943
IFRS 2 reserve – Framework Loyalty Programme	13,481	-	-	-	2,640	-	-	16,121
Reserve for AT1 BG Perpetual coupon	-10,114	-	-	-	-	-	-4,857	-14,971
Reserve from profit (loss) carried forward – Parent Company	639,024	85,938	-	-	-	-	5,714	730,676
Reserve from profit carried forward – consolidated	88,986	18,223	-	-	-	-	-	107,209
Equity reserve from the transfer of the funds business unit	3,710	-	-	-	-	-	-	3,710
Restricted reserve pursuant to Article 6, para. 1(a), of Leg. Decree No. 38/2005	1,797	-	-	-	-	-	958	2,755
Other reserves from issue/disposal of treasury shares (BG Suisse; Intermonte SIM S.p.A.)	-813	-	-	-	-	-	-459	-1,272
Restricted reserve pursuant to Article 26, para. 5-bis, of Leg. Decree No. 136 of 9 October 2023 ⁽²⁾	26,607	-	-	-	-	-	-7,317	19,290
Total	838,350	104,161	-10,095	-	17,515	496	-5,437	944,990

(1) This reserve shows the increase in capital ensuing from share-based payments to employees and Directors through assignment of shares of the parent company Assicurazioni Generali S.p.A.

(2) With regard to the so-called Windfall Tax for Banks and, on the basis of the provisions introduced upon conversion into law of Italian Law Decree No. 104/2023, the Bank opted to allocate the tax to strengthening the Group's capital. With the approval of the proposal for the distribution of the profit for 2023 by the General Shareholders' Meeting convened in April 2024, a 26.6 million euro non-distributable equity reserve fully computable in CET1 was created. In 2025, pursuant to Italian Law No. 199/2025 (2026 Budget Law), the Bank approved the payment of 7.3 million euros as extraordinary contribution to unlock the Windfall Tax reserve, recognised directly in net equity.

Reserves subject to a tax restriction imposed on a portion of the reserve from profit carried forward

Item “Reserve from profit carried forward” includes a portion of earnings subject to a tax restriction pursuant to Article 110, paragraph 8, of Italian Law Decree No. 104/2021, amounting to 31,827 thousand euros.

In 2021, Banca Generali had elected to realign the accounting and tax values of goodwill recognised at 31 December 2021, pursuant to Article 110 of Law Decree No. 104/2021.

However, implementing this option required, on pain of inefficacy, that a tax restriction be placed on a portion of reserves in the Financial Statements at 31 December 2020, in an amount corresponding to the higher values subject to realignment, net of the substitute tax (Article 110, paragraph 8).

The rules governing tax-suspended reserves for revaluation balances apply to the portion of the reserve for profit carried forward subject to this restriction. In particular, in the event of distribution of the reserve, the amounts allocated to shareholders form the taxable income of the Company, which is entitled to a tax credit equal to the 3% substitute tax paid, and that of the shareholders.

Furthermore, as indicated by the Italian Tax Authorities in its response No. 539 of 9 August 2021 and Circular No. 6/E of 1 March 2022, since the option was exercised after the date of approval of the Financial Statements for the year ended 31 December 2020, the application of the restriction was approved, at the proposal of the Bank’s Board of Directors, by the Shareholders’ Meeting on 21 April 2022, when approving the Financial Statements for the year ended 31 December 2021.

The restricted reserve amounted to 31,827 thousand euros, taking into account differences subject to realignment of 32,811 thousand euros and tax due of 984 thousand euros.

TAX-SUSPENDED RESERVE PURSUANT TO ART. 110, PARA. 8, OF LAW DECREE 104/2021

Accounting differences subject to realignment	32,811,223
Substitute tax due	-984,337
Restricted portion of reserve for profit carried forward	31,826,886

13.5 Breakdown of equity instruments: year changes

On 8 August 2024, the Bank finalised a new issue of Additional Tier 1 (AT1) instruments in the aggregate amount of 100 million euros to be fully subscribed by Generali Group companies through a private placement. Following this transaction and after authorisation by the Supervisory Authority, on 22 December 2024 Banca Generali made an early redemption of the similar AT1 financial instruments issued in 2019 amounting to 50 million euros.

The new issue in the form of perpetual bonds envisages a non-cumulative half-yearly coupon that has been set at 6.7% per annum, to be subsequently recalculated every five years. In accordance with the applicable law and market practices, the issue is perpetual and the issuer will be entitled to early redemption only starting from the fifth year from the date of issue (8 August 2029), subject to prior authorisation from the Supervisory Authority and satisfaction of the conditions provided for by applicable legislation.

(€ THOUSAND)	31.12.2025	31.12.2024
Amount at year-start	100,000	50,000
Issue-related increases	-	100,000
Other increases	5,000	-
<i>of which:</i>		
– arising from business combinations	5,000	-
Decreases for reimbursements	-	-50,000
Amount at year-end	105,000	100,000

Item “Other increases” includes the 5 million euro AT1 subordinated loan issued by the subsidiary Intermonte SIM S.p.A.

Section 14 – Net equity attributable to minority interests - Item 190

14.1 Breakdown of Item 190 – Net equity attributable to minority interests

(€ THOUSAND)	31.12.2025	31.12.2024
Other equity investments		
1. Intermonte SIM S.p.A.	10,496	-
Total	10,496	-

PART B – INFORMATION ON THE BALANCE SHEET – OTHER INFORMATION

1. Commitments and financial guarantees issued

NOMINAL VALUE OF COMMITMENTS AND FINANCIAL GUARANTEES ISSUED

TRANSACTIONS	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED	31.12.2025	31.12.2024
1. Commitments to disburse funds	-	-	-	-	-	-
a) Central Banks	-	-	-	-	-	-
b) General governments	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial corporations	-	-	-	-	-	-
e) Non-financial corporations	-	-	-	-	-	-
f) Households	-	-	-	-	-	-
2. Financial guarantees issued	87,448	6,933	38	32,637	127,056	118,944
a) Central Banks	-	-	-	-	-	-
b) General governments	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial corporations	8,293	22	-	32,637	40,952	34,037
e) Non-financial corporations	32,240	465	35	-	32,740	29,009
f) Households	46,915	6,446	3	-	53,364	55,898
Total	87,448	6,933	38	32,637	127,056	118,944

Commitments to disburse funds include commitments subject to mandatory and optional use towards customers and refer to irrevocable lines of credit already granted.

At 31 December 2025, financial guarantees issued, considered impaired at the acquisition date, referred to some agreements entered into by the Bank to cover possible losses suffered by its customers in relation to the non-repayment, within the contractual terms, of the principal on senior notes in a securitisation transaction for which the Bank had acted as distributor.

The guarantees came due and were enforced in February 2026.

2. Other commitments and other guarantees issued

TRANSACTIONS	NOMINAL VALUE	
	31.12.2025	31.12.2024
1. Other guarantees issued	-	-
<i>of which:</i>		
- credit exposures to non-performing loans	-	-
a) Central Banks	-	-
b) General governments	-	-
c) Banks	-	-
d) Other financial corporations	-	-
e) Non-financial corporations	-	-
f) Households	-	-
2. Other commitments	1,346,220	1,127,003
<i>of which:</i>		
- credit exposures to non-performing loans	370	421
a) Central Banks	-	-
b) General governments	-	-
c) Banks	2,480	-
d) Other financial corporations	111,772	41,454
e) Non-financial corporations	252,489	194,414
f) Households	979,479	891,135
Total	1,346,220	1,127,003

3. Assets pledged as collateral for own liabilities and commitments

PORTFOLIOS	31.12.2025				31.12.2024			
	REPURCHASE AGREEMENTS + SECURITIES LENDING	ECB CC&G + OTHER		TOTAL	REPURCHASE AGREEMENTS	ECB CC&G + OTHER		TOTAL
1. Financial assets measured at fair value through profit or loss	20,807	-	-	20,807	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	790,816	-	-	790,816	59,083	-	-	59,083
3. Financial assets measured at amortised cost	711,882	366,378	250,521	1,328,780	994,324	453,650	239,864	1,687,838
4. Property and equipment	-	-	-	-	-	-	-	-
of which:								
- assets constituting inventories	-	-	-	-	-	-	-	-
Total	1,523,505	366,378	250,521	2,140,403	1,053,407	453,650	239,864	1,746,921

Financial assets pledged as collateral for own liabilities and commitments refer to repurchase agreement transactions with a repurchase commitment with customers and banks and to collaterals pledged for refinancing transactions with the ECB. This amount also includes financial instruments pledged with Cassa di Compensazione e Garanzia, Eurex, Euroclear and ETD for ordinary operations.

5. Management and trading of financial instruments on behalf of third parties

TYPE OF SERVICE	31.12.2025	31.12.2024
1. Execution of orders on behalf of customers	76,701,369	37,882,361
a) Purchases	43,329,769	23,652,042
1. Settled	43,145,822	23,478,109
2. To be settled	183,947	173,933
b) Sales	33,371,600	14,230,319
1. Settled	33,136,387	14,119,751
2. To be settled	235,213	110,568
2. Portfolio management	40,836,191	37,490,067
a) Individual	17,783,080	16,332,464
b) Collective	23,053,110	21,157,603
3. Custody and administration of securities	66,621,503	60,482,956
a) Third-party securities held in deposit: related to services provided as depository bank (excluding portfolio management)	199,831	-
1. Securities issued by companies included in the consolidation area	-	-
2. Other	199,831	-
b) Third-party securities held in deposit (excluding portfolio management): other	26,783,091	24,615,871
1. Securities issued by companies included in the consolidation area	14,868	14,665
2. Other	26,768,223	24,601,206
c) Third-party securities deposited with third parties	26,781,978	24,569,802
d) Own securities deposited with third parties	12,856,603	11,297,283
4. Other transactions	-	-

Securities under custody and administration are recognised at nominal value.

6. Financial assets offset in the financial statements or falling within the scope of master netting arrangements or similar agreements

TECHNICAL TYPE	GROSS AMOUNT OF FINANCIAL ASSETS (A)	AMOUNT OF FINANCIAL LIABILITIES OFFSET IN THE FINANCIAL STATEMENTS (B)	NET AMOUNT OF FINANCIAL ASSETS RECOGNISED IN THE FINANCIAL STATEMENTS (C = A - B)	CORRELATED AMOUNT NOT OFFSET IN THE FINANCIAL STATEMENTS		NET AMOUNT AT 31.12.2025 (F = C - D - E)	NET AMOUNT AT 31.12.2024
				FINANCIAL INSTRUMENTS	CASH DEPOSITS AS COLLATERAL		
1. Derivatives	24,517	-	24,471	24,471	-	-	739
2. Repurchase agreements	514,812	-	514,812	493,416	16,631	4,765	12,853
3. Securities loans	24,374	-	24,374	23,564	-	810	-
4. Other	-	-	-	-	-	-	-
Total at 31.12.2025	563,703	-	563,657	541,451	16,631	5,575	X
Total at 31.12.2024	390,072	-	390,072	366,861	9,619	X	13,592

7. Financial liabilities offset in the financial statements or falling within the scope of master netting arrangements or similar agreements

TECHNICAL TYPE	GROSS AMOUNT OF FINANCIAL LIABILITIES (A)	AMOUNT OF FINANCIAL ASSETS OFFSET IN THE FINANCIAL STATEMENTS (B)	NET AMOUNT OF FINANCIAL LIABILITIES RECOGNISED IN THE FINANCIAL STATEMENTS (C = A - B)	CORRELATED AMOUNT NOT OFFSET IN THE FINANCIAL STATEMENTS		NET AMOUNT AT 31.12.2025 (F = C - D - E)	NET AMOUNT AT 31.12.2024
				FINANCIAL INSTRUMENTS (D)	CASH DEPOSITS AS COLLATERAL (E)		
1. Derivatives	24,727	-	24,702	20,699	4,309	-306	1,303
2. Repurchase agreements	1,522,549	-	1,522,549	1,521,314	510	725	-1,275
3. Securities loans	20,188	-	20,188	20,188	-	-	-
4. Other	-	-	-	-	-	-	-
Total at 31.12.2025	1,567,464	-	1,567,439	1,562,201	4,819	419	X
Total at 31.12.2024	1,174,769	-	1,174,769	1,053,456	121,285	X	28

IFRS 7 requires a detailed disclosure on financial instruments that have been offset in the Balance Sheet pursuant to IAS 32 or financial instruments that can be potentially set off, under certain conditions, but have been recognised in the Balance Sheet without any offsetting as they fall within the scope of master netting arrangements or similar agreements that do not meet all the requirements under IAS 32, paragraph 42.

In this regard, it should be noted that Banca Generali Group has not entered into any netting arrangements that meet the requirements of IAS 32.42 on offsetting in the financial statements.

With reference to financial instruments that can be potentially set off under certain conditions, it should be noted that, as far as repurchase agreements (REPOs) are concerned, Banca Generali currently participates in the MTS S.p.A. Repo market through a Clearing Agreement with Cassa Compensazione e Garanzia (CC&G) concerning the centralised management of transaction clearing.

With reference to financial instruments that can be potentially set off under certain conditions, Banca Generali entered into bilateral netting arrangements that enable offsetting of credit and debt positions related to financial and credit derivatives in case of default of the counterparty, as well as into transactions such as Securities Financing Transactions (SFTs). In detail, ISDA (International Swaps and Derivatives Association) agreements and GMRA (Global Master Purchase Agreements) are in place.

As regard REPOs with banks, Banca Generali has in place master netting arrangements that enable offsetting of credit and debt positions in case of default of the counterparty and compliant with international standards (Global Master Repurchase Agreement - GMRA). Such transactions are also covered by GMRA-compliant financial guarantee agreements, envisaging the bilateral exchange of collaterals in cash and/or government bonds.

These agreements, in the case of repurchase agreements, mitigate the liquidity risk by offsetting the debt to the counterparty up to the fair value of the collateral.

In the table, repurchase agreements are measured at amortised cost, whereas financial instruments used as collateral are measured at fair value up to the amount of the guaranteed liability.

Banca Generali Group has entered into International Swap and Derivatives Association (ISDA) master netting arrangements as its main technique for mitigating credit risk and the related impacts on fair value associated with OTC derivatives contracts with institutional counterparties. These arrangements as well envisage the bilateral exchange of cash collateral. These arrangements reduce the capital they absorb, in accordance with the conditions established in supervisory regulations. The ISDA master netting arrangements entered into with the main institutional counterparties to OTC derivatives have been appropriately reported to the Bank of Italy.

Since September 2022, Banca Generali has been subject to initial margin exchange requirements for OTC derivatives as provided for in Commission Delegated Regulation (EU) No. 2016/2251. To fulfil these obligations, the Bank has entered into specific collateral exchange contracts with active institutional counterparties, identifying Euroclear as the main triparty agent responsible for segregation of collateral assets.

PART C – INFORMATION ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Section 1 – Interests - Items 10 and 20

1.1 Breakdown of interest income and similar revenues

ITEMS/TECHNICAL TYPES	DEBT SECURITIES	FINANCING	OTHER TRANSACTIONS	2025	2024
1. Financial assets measured at fair value through profit or loss:	701	-	-	701	175
1.1 HFT financial assets	414	-	-	414	15
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	287	-	-	287	160
2. Financial assets measured at fair value through other comprehensive income	65,377	-	X	65,377	33,192
3. Financial assets measured at amortised cost	250,211	109,628	X	359,839	363,736
3.1 Loans to banks	61,133	34,038	X	95,171	91,263
3.2 Loans to customers	189,078	75,590	X	264,668	272,473
4. Hedging derivatives	X	X	21,982	21,982	85,677
5. Other assets	X	X	2,920	2,920	130
6. Financial liabilities	X	X	X	-	-
Total	316,289	109,628	24,902	450,819	482,910
<i>of which:</i>					
- interest income on impaired financial assets	-	24	-	24	283

Item 5 “Other assets” included 2.2 million euro interest for late reimbursement of taxes paid pursuant to Article 44, paragraph 1, of Italian Presidential Decree No. 602/73 and accrued at 31 December 2025 on the IRAP tax receivable recognised in the financial statements in light of the reimbursement of taxes paid on dividends from EU subsidiaries.

1.2 Interest income and similar revenues: other information

1.2.1 Interest income on financial assets in foreign currencies

	2025	2024
1.2.1 Interest income on financial assets in foreign currencies	2,519	2,426
Total	2,519	2,426

1.3 Breakdown of interest expense and similar charges

ITEMS/TECHNICAL TYPES	DEBTS	SECURITIES	OTHER TRANSACTIONS	2025	2024
1. Financial liabilities measured at amortised cost	124,094	81	-	124,175	164,939
1.1 Due to Central Banks	-	X	X	-	-
1.2 Due to banks	9,738	X	X	9,738	9,476
1.3 Due to customers	114,356	X	X	114,356	155,463
1.4 Securities issued	X	81	X	81	-
2. HFT financial liabilities	-	144	-	144	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and funds	X	X	-	-	-
5. Hedging derivatives	X	X	-685	-685	865
6. Financial assets	X	X	X	1	-
Total	124,094	225	-685	123,635	165,804
<i>of which:</i>					
- interest expense relating to lease debts	3,705	-	-	3,705	3,341

The Item 1.3 “Financial liabilities measured at amortised cost – Due to customers” includes a 3.7 million euro interest accrued on lease payment debts calculated in accordance with the provisions of IFRS 16.

1.4 Interest expense and similar charges: other information

1.4.1 Interest expense on liabilities in foreign currencies

	2025	2024
1.4.1 Interest expense on liabilities in foreign currencies	2,889	2,984
Total	2,889	2,984

1.5 Hedging differentials

ITEMS	2025	2024
A. Hedging gains	93,237	146,777
B. Hedging losses	70,570	61,965
C. Total (A – B)	22,667	84,812

Hedging differentials refer almost entirely to interest-rate swaps (IRSs) and inflation IRSs entered into in relation to fair-value hedging transactions for fixed-rate or inflation-linked debt securities and, to a lesser extent, to macro fair value hedges and cash flow hedges.

In detail, the balance of the fair value hedges amounted to 18,908 thousand euros and is attributable, for 18,930 thousand euros, to the hedging of debt securities classified to the portfolio of financial assets measured at amortised cost (84,321 thousand euros in 2024), with the remainder referring to debt securities classified to the portfolio of financial assets measured at fair value through other comprehensive income.

Section 2 – Fees - Items 40 and 50

2.1 Breakdown of fee income

TYPE OF SERVICE/VALUES	2025	2024
a) Financial instruments	419,258	369,311
1. Placement of securities	186,653	182,393
1.1 With direct underwriting and/or a firm commitment	-	-
1.2 Without a firm commitment	186,653	182,393
2. Receipt and transmission of orders and execution of orders on customers' behalf	73,401	55,472
2.1 Receipt and transmission of orders for one or more financial instruments	6,782	8,387
2.2 Execution of orders on customers' behalf	66,619	47,085
3. Other fees related to activities linked to financial instruments	159,204	131,446
of which:		
– trading for own account	-	-
– individual portfolio management	149,685	131,446
b) Corporate finance	8,101	-
1. Consultancy on mergers and acquisitions	-	-
2. Treasury services	-	-
3. Other fees related to corporate finance services	8,101	-
c) Investment advisory	63,121	60,657
d) Offsetting and settlement services	-	-
e) Collective portfolio management	489,022	517,359
f) Custody and administration services	770	421
1. Depository bank	-	-
2. Other fees related to custody and administration services	770	421
g) Centralised administration services for collective portfolio management	-	-
h) Trust services	-	-
i) Payment services	7,119	9,279
1. Current accounts	3,643	5,264
2. Credit cards	-	-
3. Debit cards and other payment cards	148	197
4. Bank transfers and other payment services	1,227	1,483
5. Other fees linked to payment services	2,101	2,335
j) Distribution of third-party services	252,660	245,282
1. Collective portfolio management	2,137	1,677
2. Insurance products	249,167	241,285
3. Other products	1,356	2,320
of which:		
– individual portfolio management	26	27
– BG Saxo services	900	1,853
k) Structured finance	-	-
l) Servicing related to securitisations	-	-
m) Commitments to disburse funds	-	-
n) Financial guarantees issued	846	778
of which:		
– credit derivatives	-	-
o) Financing transactions	-	-
of which:		
– factoring-related services	-	-
p) Currency trading	-	-
q) Goods	-	-
r) Other fee income	4,815	4,472
of which:		
– management of multilateral trading facilities	-	-
– management of organised trading facilities	-	-
Total	1,245,712	1,207,559

Table 2.1 relating to the breakdown of fee income includes revenues arising from financial services falling within the scope of IFRS 15, broken down by type of service rendered. With reference to the provisions of IFRS 15, paragraph 113, fee income may be further divided into the following four categories:

(€ THOUSAND)	2025	2024
Underwriting fees	50,421	48,458
Management fees	921,461	859,782
Performance fees	114,765	166,388
Fees for other services	159,066	132,932
Total fee income	1,245,712	1,207,559

Underwriting, management and performance fees refer, in particular, to individual (discretionary) and collective (Sicavs promoted by the Banking Group) portfolio management, placement of securities and distribution of third-party services.

Fees for BG Saxo services refer to the offering to the Bank's customers of the trading and order collection services rendered by BG Saxo SIM S.p.A. They were classified under banking products.

	UNDERWRITING FEES	MANAGEMENT FEES	PERFORMANCE FEES	OTHER	2025	2024
Individual portfolio management	-3,568	151,859	1,389	-	149,680	131,446
Collective portfolio management	-	375,647	113,376	-	489,023	517,360
Placement of UCITS	13,708	135,071	-	-	148,779	150,232
Placement of securities	37,860	-	-	-	37,860	32,161
Distribution of third-party services	2,421	249,365	-	-	251,786	243,428
Other services and banking products	-	9,519	-	159,066	168,585	132,932
Total fee income	50,421	921,461	114,765	159,066	1,245,712	1,207,559

Underwriting fees refer to the support provided by the Bank's Financial Advisor Network to customers for the purchase of financial products and services and their useful lives end when the products and services concerned are subscribed. In particular, the item includes the distribution and private placement of certificates.

Variable performance fees refer mainly to the management of the Sicavs promoted by the Banking Group — they are applied on the basis of the rules set out in the prospectuses for the Sicavs concerned — and, to a lesser extent, to the individual portfolio management of Banca Generali and to advisory services.

Management fees refer to:

- › discretionary management of financial assets on behalf of customers according to the conditions specified in individual mandates, accruing on a quarterly basis;
- › collective management of the assets of the Sicavs managed by the Banking Group's management company (Lux IM Sicav, BG Selection Sicav and BG Alternative Sicav) on the basis of the conditions established for each sub-fund in the relevant prospectuses, accruing on a monthly basis;
- › the ongoing customer support activity carried out by the Financial Advisor Network with regard to the placement of units of third-party UCITS and the distribution of insurance products.

Fees for other services include revenues on traditional banking services (custody and trading of financial instruments, collection and payment services, current account keeping and management services, etc.) and advisory fees, mostly consisting of recurring fees.

Fee income consists solely of short-term items, normally collected on a monthly or quarterly basis and therefore do not include a component of a financial nature relating to the passage of time.

In reference to IFRS 15, paragraph 116 b), fee income on the placement of securities includes revenues of 41 thousand euros on the recycling to the profit and loss account for the year of liabilities included in the opening balance attributable to contracts (deferred income).

2.2 Breakdown of fee expense

TYPE OF SERVICE/VALUES	2025	2024
a) Financial instruments	48,278	45,628
of which:		
– trading of financial instruments	7,945	6,348
– placement of financial instruments	2	-
– individual portfolio management	40,331	39,280
Own portfolio	40,331	39,280
Third-party portfolio	-	-
b) Offsetting and settlement services	-	-
c) Collective portfolio management	-	-
1. Own portfolio	-	-
2. Third-party portfolio	-	-
d) Custody and administration services	4,848	4,620
e) Collection and payment services	2,589	3,128
of which:		
– credit cards, debit cards and other payment cards	128	497
f) Servicing related to securitisations	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	-	-
of which:		
– credit derivatives	-	-
i) Off-premises offer of financial instruments, products and services	514,159	485,580
j) Currency trading	-	-
k) Other fee expense	11,772	10,398
Total	581,646	549,354

Fee expense for off-premises offer includes the costs incurred to obtain or fulfil contracts with customers of 100,334 thousand euros, of which 79,843 thousand euros relating to previous years.

Section 3 – Dividends and similar income - Item 70

3.1 Breakdown of dividends and similar income

ITEMS/INCOME	2025		2024	
	DIVIDENDS	SIMILAR INCOME	DIVIDENDS	SIMILAR INCOME
A. HFT financial assets	3,781	-	-	-
B. Other financial assets mandatorily measured at fair value	88	-	79	-
C. Financial assets measured at fair value through other comprehensive income	1,270	-	1,230	-
D. Equity investments	-	-	-	-
Total	5,139	-	1,309	-

Section 4 – Net income (loss) from trading activities - Item 80

4.1 Breakdown of net income (loss) from trading activities

TRANSACTIONS/INCOME COMPONENTS	CAPITAL GAINS	INCOME FROM TRADING	CAPITAL LOSSES	LOSSES FROM TRADING	NET RESULT 2025
1. HFT financial assets	1,910	13,267	457	8,699	6,021
1.1 Debt securities	51	3,255	223	263	2,820
1.2 Equity securities	1,839	6,348	234	8,247	-294
1.3 UCITS units	3	3,374	-	189	3,188
1.4 Loans	-	-	-	-	-
1.5 Other	17	290	-	-	307
2. HFT financial liabilities	210	5,910	2,133	1,240	2,747
2.1 Debt securities	-	-	-	-	-
2.2 Debts	210	5,910	2,133	1,240	2,747
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	X	X	X	X	8,484
4. Derivatives	12,110	48,951	10,956	46,600	3,505
4.1 Financial	12,110	48,951	10,956	46,600	3,505
– on debt securities and interest rates	-	-	-	-	-
– interest rate swaps	-	-	-	-	-
– government bond forwards	-	-	-	-	-
– on equity securities and stock indexes	12,110	48,951	10,956	46,600	3,505
– options	12,109	48,951	10,956	46,600	3,504
– futures	1	-	-	-	1
– on currency and gold ⁽¹⁾	X	X	X	X	-
– other	-	-	-	-	-
4.2 Credit	-	-	-	-	-
of which:					
– natural hedging related to the fair value option	X	X	X	X	-
Total	14,230	68,128	13,546	56,539	20,757

(1) It includes currency options and currency outright.

Section 5 – Net income (loss) from hedging - Item 90

5.1 Breakdown of net income (loss) from hedging

INCOME COMPONENTS/VALUES	2025	2024
A. Income from:		
A.1 Fair value hedge derivatives	96,525	20,296
A.2 Hedged financial assets (fair value)	15,003	58,743
A.3 Hedged financial liabilities (fair value)	5,335	-
A.4 Cash flow hedge derivatives	17	58
A.5 Assets and liabilities denominated in foreign currencies	-	-
Total income from hedging (A)	116,880	79,097
B. Charges from:		
B.1 Fair value hedge derivatives	20,347	59,185
B.2 Hedged financial assets (fair value)	95,987	17,956
B.3 Hedged financial liabilities (fair value)	539	2,142
B.4 Cash flow hedge derivatives	59	6
B.5 Assets and liabilities denominated in foreign currencies	-	-
Total charges from hedging (B)	116,932	79,289
C. Net income (loss) from hedging (A – B)	-52	-192
<i>of which:</i>		
– result of hedging of net positions	-	-

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

6.1 Breakdown of gains (losses) on disposal/repurchase

ITEMS/INCOME COMPONENTS	2025			2024		
	GAINS	LOSSES	NET RESULT	GAINS	LOSSES	NET RESULT
A. Financial assets						
1. Financial assets measured at amortised cost	24,554	16,604	7,950	17,405	8,441	8,964
1.1 Loans to banks	3,166	2,565	601	2,846	148	2,698
1.2 Loans to customers	21,388	14,039	7,349	14,559	8,293	6,266
2. Financial assets measured at fair value through other comprehensive income	4,459	1,935	2,524	4,932	4,086	846
2.1 Debt securities	4,459	1,935	2,524	4,932	4,086	846
2.2 Loans	-	-	-	-	-	-
Total assets	29,013	18,539	10,474	22,337	12,527	9,810
B. Financial liabilities measured at amortised cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-

Equity reserves transferred back to the profit and loss account due to the disposal of pre-existing equity reserves of the HTCS portfolio are illustrated in the following table.

	POSITIVE	NEGATIVE	NET
Debt securities	2,237	-757	1,480
Total	2,237	-757	1,480

Section 7 – Net gains (losses) of other financial assets and liabilities measured at fair value through profit and loss - Item 110

7.2 Net change of other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

TRANSACTIONS/INCOME COMPONENTS	CAPITAL GAINS	GAINS ON DISPOSAL	CAPITAL LOSSES	LOSSES ON DISPOSAL	NET RESULT
1. Financial assets	951	103	6,580	98	-5,624
1.1 Debt securities	-	97	-	-	97
1.2 Equity securities	524	-	-	98	426
1.3 UCITS units	-	-	6,576	-	-6,576
1.4 Loans	427	6	4	-	429
2. Financial assets in foreign currencies: exchange differences	X	X	X	X	-162
Total	951	103	6,580	98	-5,786

Section 8 – Net adjustments/reversals for credit risk - Item 130

8.1 Breakdown of net adjustments for credit risk relating to financial assets measured at amortised cost

TRANSACTIONS/INCOME COMPONENTS	ADJUSTMENTS						REVERSALS					2025	2024
	STAGE 1	STAGE 2	STAGE 3		PURCHASED OR ORIGINATED CREDIT - IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED			
			WRITE-OFFS	OTHER	WRITE-OFFS	OTHER							
A. Loans to banks	205	-	-	-	-	-	71	20	-	-	-114	215	
Loans	-	-	-	-	-	-	71	20	-	-	91	-17	
Debt securities	205	-	-	-	-	-	-	-	-	-	-205	232	
B. Loans to customers	306	-	98	4,258	16,027	-	240	34	1,322	-	-19,094	1,815	
Loans	306	-	98	4,258	16,027	-	30	34	1,322	-	-19,304	1,888	
Debt securities	-	-	-	-	-	-	210	-	-	-	210	-73	
Total	511	-	98	4,258	16,027	-	311	54	1,322	-	-19,208	2,030	

Adjustments to loans to customers classified under “Stage 3” amounted to 4,258 thousand euros and included 704 thousand euros for bad loans, 2,782 thousand euros for positions past-due by more than 90 days, 524 thousand euros for unlikely-to-pay positions, and, for the remainder, other operating loans and loans to the Financial Advisor Network.

These write-downs were partially offset through reversals relating to positions past-due at the end of the previous year (815 thousand euros) and reclassified out of the non-performing category, to bad loans (131 thousand euros) and to unlikely-to-pay exposures (368 thousand euros).

Write-offs of purchased credit-impaired assets referred to the write-off of the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, as well as amounts receivable as a result of the transfer by customers to the Bank of usufruct rights on coupons accruing on the above-mentioned products in 2023 and 2024 (4.8 million euros).

8.1a Breakdown of net adjustments for credit risk relating to loans measured at amortised cost subject to Covid-19 support measures

TRANSACTIONS/INCOME COMPONENTS	NET ADJUSTMENTS						2025	2024
	STAGE 1	STAGE 2	STAGE 3		PURCHASED OR ORIGINATED CREDIT - IMPAIRED			
			WRITE-OFFS	OTHER	WRITE-OFFS	OTHER		
4. Loans	-6	-	-	-162	-	-	-168	-565
Total at 31.12.2025	-6	-	-	-162	-	-	-168	X
Total at 31.12.2024	6	-	-	-571	-	-	X	-565

8.2 Breakdown of net adjustments for credit risk relating to financial assets measured at fair value through other comprehensive income

TRANSACTIONS/INCOME COMPONENTS	ADJUSTMENTS						REVERSALS				2025	2024
	STAGE 1	STAGE 2	STAGE 3		PURCHASED OR ORIGINATED CREDIT - IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED		
			WRITE-OFFS	OTHER	WRITE-OFFS	OTHER						
A. Debt securities	233	-	-	-	-	-	-	-	-	-	-233	-193
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- to customers	-	-	-	-	-	-	-	-	-	-	-	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
of which:												
- purchased or originated credit - impaired	-	-	-	-	-	-	-	-	-	-	-	-
Total	233	-	-	-	-	-	-	-	-	-	-233	-193

Section 12 – General and administrative expenses - Item 190

Breakdown of general and administrative expenses

	2025	2024
190 a) Staff expenses	164,507	134,997
190 b) Other general and administrative expenses	291,739	263,435
Total	456,246	398,432

12.1 Breakdown of staff expenses

TYPE OF EXPENSE/SECTORS	2025	2024
1) Employees	160,974	132,771
a) Wages and salaries	86,389	71,430
b) Social security charges	21,880	17,390
c) Termination indemnity	1,290	866
d) Retirement benefit plans	-	-
e) Provision for termination indemnity	99	126
f) Provision for pensions and similar obligations:	678	450
– defined contribution	-	-
– defined benefit	678	450
g) Amounts paid to supplementary external pension funds:	8,344	7,041
– defined contribution	8,344	7,041
– defined benefit	-	-
h) Costs related to payment agreements based on own equity instruments	5,894	5,591
i) Other employee benefits	36,400	29,877
2) Other staff	431	-114
3) Directors and Auditors	2,925	2,201
4) Retired personnel	177	139
Total	164,507	134,997

12.2 Average number of employees by category (*)

	2025	2024
Employees	1,229	1,069
a) Managers	96	78
b) Middle managers	455	381
c) Employees at other levels	678	610
Other personnel	2	3
Total	1,231	1,072

(*) Quarterly weighted average, with part-time employees considered at 50% by convention.

12.2.1 Breakdown of personnel

	2025	2024
Employees	1,313	1,104
a) Managers	102	78
b) Total Middle managers	476	396
<i>of which:</i>		
– 3 rd and 4 th level	241	197
c) Employees at other levels	735	630
Other personnel	-	-
Total	1,313	1,104

12.3 Defined benefit company pension funds: costs and income

Costs incurred in 2025 for defined benefit company pension funds amounted to 678 thousand euros, broken down as follows:

	2025
Current service cost	608
Past service cost	37
Interest expense	33
Total	678

12.4 Other employee benefits

	2025	2024
Short-term productivity bonuses	24,821	19,445
Long-term benefits	1,575	1,325
Charges for Relationship Manager recruitment plans	206	282
Charges for deferred variable remuneration (managers' MBO)	1,369	1,035
Charges for post-employment medical care plans	-	8
Other benefits	10,004	9,107
Charges for staff supplementary pensions	5,159	4,876
Amounts replacing cafeteria indemnities	1,475	1,194
Training expenses	1,627	1,190
Contributions to employees	293	228
Transfer incentives and other indemnities	427	1,184
Other expenses	1,023	435
Total	36,400	29,877

Short-term productivity bonuses include the portion of non-deferred variable remuneration payable in cash (MBO) for office and sales managers and portfolio managers, the performance bonus envisaged in company supplementary contracts and allocations in service of the plan for 2025 measures.

12.5 Breakdown of other general and administrative expenses

	2025	2024
Administration	35,854	27,368
Advertising	4,853	4,248
Audit fees	20,538	15,007
Auditing firms	1,522	1,265
Insurance	5,211	4,624
Entertainment expenses	1,719	594
Membership contributions	1,737	1,394
Charity	274	236
Operations	32,653	30,182
Rent and usage of premises and management of property	6,274	5,535
Outsourced administrative services	7,403	7,175
Post and telephone	2,860	2,717
Print material	1,065	1,213
Other expenses for sales network management	6,520	5,913
Other expenses and purchases	5,907	5,341
Other indirect staff expenses	2,625	2,288
Information system and equipment	87,384	71,409
Expenses related to outsourced IT services	51,435	46,041
Fees for IT services and databases	21,784	13,705
Software maintenance and servicing	12,263	10,120
Fees for equipment hired and software used	398	404
Other maintenance	1,504	1,139
Indirect taxation	132,610	121,884
Stamp duty on financial instruments	130,775	120,157
Substitute tax on medium/long-term financing	288	235
Other indirect taxes to be paid by the Bank	1,547	1,492
Contributions and charges related to the banking and insurance system	3,238	12,592
Total	291,739	263,435

The administrative expenses aggregate includes the costs of short-term leases (less than 12 months), consisting primarily of lease payments for parking spaces and low-value leases (less than 5 thousand euros), consisting of lease payments for photocopiers and faxes, for which the Bank has availed itself of the option not to apply the accounting treatment provided for in IFRS 16, as detailed below. There are no costs for variable payments other than those included in the measurement of lease liabilities.

	2025	2024
Lease costs < 5,000 euros	398	403
Lease costs < 12 months	404	107

The aggregate also includes other costs arising from lease transactions, but attributable to contractual components other than lease payments and not relevant to the valuation of lease liabilities, such as fees for additional services and non-deductible VAT, which amounted to 4,379 thousand euros.

Section 13 – Net provisions for liabilities and contingencies - Item 200

13.1 Breakdown of net provisions for credit risk relating to commitments to disburse funds and financial guarantees issued

	2025			2024		
	PROVISIONS	SURPLUS	NET	PROVISIONS	SURPLUS	NET
Provisions for commitments and financial guarantees issued	43,306	-24	43,282	11,739	-134	11,605
Total	43,306	-24	43,282	11,739	-134	11,605

13.3 Breakdown of net provisions to other provisions for liabilities and contingencies

	2025			2024		
	PROVISIONS	SURPLUS	NET	PROVISIONS	SURPLUS	NET
Provisions for staff expenses	3,566	-12	3,554	12,306	-1,102	11,204
Provision for restructuring plan	-	-	-	8,800	-	8,800
Provision for staff expenses – Other ⁽¹⁾	3,566	-12	3,554	3,506	-1,102	2,404
Provisions for legal disputes	8,594	-1,864	6,730	7,432	-1,321	6,111
Provision for risks related to legal disputes connected with Financial Advisor Network's embezzlements	1,017	-182	835	2,588	-655	1,933
Provision for risks related to legal disputes with the Financial Advisor Network	297	-262	35	167	-119	48
Provision for risks related to legal disputes with employees	100	-	100	-	-	-
Provision for other legal disputes	7,180	-1,420	5,760	4,677	-547	4,130
Provisions for termination indemnity of Financial Advisors	22,897	-3,302	19,595	33,688	-2,671	31,017
Provision for risks related to termination indemnity of the Financial Advisor Network	8,881	-2,149	6,732	20,228	-2,121	18,107
Provision for management incentive indemnity	4,434	-129	4,305	2,640	-173	2,467
Provision for portfolio overfee indemnities	-	-891	-891	1,117	-163	954
Provision for pension bonuses	512	-133	379	797	-214	583
Provision for Framework Loyalty Programme	387	-	387	224	-	224
Provision for three-year incentive fees	8,683	-	8,683	8,682	-	8,682
Provisions for Financial Advisor Network incentives	20,241	-976	19,265	17,642	-1,927	15,715
Provision for Financial Advisor Network development plans	13,900	-976	12,924	11,908	-1,552	10,356
Provision for deferred bonus	9	-	9	5	-	5
Provision for incentive travels	6,000	-	6,000	5,300	-373	4,927
Provision for fee plans	332	-	332	429	-2	427
Provision for tax and contributions disputes	523	-	523	35	-	35
Other provisions for liabilities and contingencies	6,456	-350	6,106	45,858	-	45,858
Total	62,277	-6,504	55,773	116,961	-7,021	109,940

(1) Provisions for staff expenses do not include the items that are classified as "Staff expenses – Other benefits" in accordance with IAS 19.

Section 14 – Net adjustments/reversals of property and equipment - Item 210

14.1 Breakdown of net adjustments of property and equipment

ASSETS/INCOME COMPONENTS	DEPRECIATION (A)	ADJUSTMENTS FOR IMPAIRMENT (B)	REVERSALS (C)	NET RESULT 2025 (A + B – C)
A. Property and equipment	25,504	-	-	25,504
1. Operating:	25,504	-	-	25,504
– owned	1,987	-	-	1,987
– rights of use acquired through leases	23,517	-	-	23,517
2. Held as investments	-	-	-	-
– owned	-	-	-	-
– rights of use acquired through leases	-	-	-	-
3. Inventories	X	-	-	-
Total	25,504	-	-	25,504

Section 15 – Net adjustments/reversals of intangible assets - Item 220

15.1 Breakdown of net adjustments of intangible assets

ASSETS/INCOME COMPONENTS	AMORTISATION (A)	ADJUSTMENTS FOR IMPAIRMENT (B)	REVERSALS (C)	NET RESULT 2025 (A + B – C)
A. Intangible assets	23,189	-	-	23,189
<i>of which:</i>				
– software	19,449	-	-	19,449
A.1 Owned	23,189	-	-	23,189
– Generated in-house	-	-	-	-
– Other	23,189	-	-	23,189
A.2 Rights of use acquired through leases	-	-	-	-
Total	23,189	-	-	23,189

Breakdown of adjustments of intangible fixed assets - amortisation

	2025
Charges associated with the implementation of legacy CSE procedures	19,449
Customer relationships	3,740
Total	23,189

Section 16 – Other operating income and expenses - Item 230

16.1 Breakdown of other operating expenses

	2025	2024
Adjustments of leasehold improvements	3,511	3,197
Write-downs of other assets	-	162
Indemnities and compensation for litigation and claims	732	492
Charges from accounting adjustments with customers	3,208	1,978
Costs associated with tax disputes, penalties and fines	14	52
Other contingent liabilities and non-existent assets	2,788	1,652
Consolidation adjustments	7	3
Total	10,260	7,536

16.2 Breakdown of other operating income

	2025	2024
Recovery of taxes from customers	129,694	119,041
Recovery of expenses from customers	737	502
Fees for outsourced services	100	142
Charge-back of portfolio overfee indemnity to incoming Financial Advisors	5,106	5,348
Indemnities for Financial Advisors' termination without notice	2,015	1,212
Other recoveries of fees and costs from Financial Advisors	6,369	4,738
Contingent assets related to provisions for staff expenses	595	817
Contributions to provision for employment in the banking sector (FOC) and the fund for staff training (FBA)	389	492
Other contingent assets and non-existent liabilities	3,682	6,652
Insurance compensation and indemnities	78	716
Tax credits (sanitisation and PPE, investments in new capital goods 4.0)	764	32
Other income	771	1,811
Total	150,300	141,503
Total other net income	140,040	133,967

Section 17 – Gains (losses) from equity investments - Item 250

17.1 Breakdown of gains (losses) from equity investments

INCOME COMPONENTS/SECTORS	2025	2024
1) Companies subject to joint control		
A. Gains	-	-
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Reversals	-	-
4. Other gains	-	-
B. Charges	-2,413	-582
1. Write-downs	-	-
2. Adjustments to non-performing loans	-2,413	-582
3. Losses on disposal	-	-
4. Other charges	-	-
Net result	-2,413	-582
2) Companies subject to significant influence		
A. Gains	-	-
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Reversals	-	-
4. Other gains	-	-
B. Charges	-	-177
1. Write-downs	-	-
2. Adjustments to non-performing loans	-	-136
3. Losses on disposal	-	-41
4. Other charges	-	-
Net result	-	-177
Total	-2,413	-759

Write-downs referred for 2,413 thousand euros to BG Saxo SIM S.p.A., recognised following the measurement of the equity investment at its expected realisable value, which corresponds to the consideration agreed upon for its disposal. At year-end, the equity investment was recognised among assets held for sale in view of its disposal, which will be finalised in the first quarter of 2026.

Section 20 – Gains (losses) on disposal of investments - Item 280

20.1 Breakdown of gains (losses) on disposal of investments

INCOME COMPONENTS/SECTORS	2025	2024
A. Buildings	-	-
Gains on disposal	-	-
Losses on disposal	-	-
B. Other assets	-9	1
Gains on disposal	1	1
Losses on disposal	-10	-
Net result	-9	1

Section 21 – Income taxes for the year from operating activities - Item 300

21.1 Breakdown of income taxes for the year from operating activities

INCOME COMPONENTS/SECTORS	2025	2024
1. Current taxation (-)	-129,799	-152,955
2. Change in prior years' current taxes (+/-)	40,217	1,228
3. Reduction of current taxes for the year (+)	-	-
3.bis Reduction of current taxes for the year arising on tax credits, pursuant to Law No. 214/2011 (+)	-	-
4. Changes of prepaid taxation (+/-)	100	15,035
5. Changes of deferred taxation (+/-)	228	-1,856
6. Taxes for the year (-)	-89,254	-138,548

21.2 Reconciliation between theoretical and actual tax expense

The following table reconciles the total amount of taxes due for the year, including both current and deferred taxes, as indicated in Item 300 of the Profit and Loss Account, and the theoretical corporate income tax IRES calculated by applying the 27.5% current applicable tax rate to profit before taxation.

It should be noted that the effects of the reduction of the IRES tax rate from 27.50% to 24% introduced by the 2016 Stability Law with effect from 1 January 2017 for tax periods after that in progress at 31 December 2016 were neutralised for the Bank as a result of the introduction by that same Law of a surtax of 3.5 percentage points on credit and financial institutions in respect of the same tax periods.

The reconciliation statement is therefore expressed based on higher or lower current and deferred taxes debited or credited to the Profit and Loss Account compared to the theoretical taxation.

	2025	2024
Current taxation	-129,799	-152,955
IRES and taxes on foreign companies	-113,554	-128,313
IRAP	-16,245	-24,642
Prepaid and deferred taxation	328	13,179
IRES and corporate taxes	-1,138	11,674
IRAP	1,466	1,505
Prior years' taxes	40,217	1,228
Prior years' income taxes	40,217	1,228
of which:		
– IRAP reimbursement related to EU dividends	37,584	-
Income taxes	-89,254	-138,548
Theoretical tax rate	27.5%	27.5%
Profit (loss) before taxation	535,965	569,773
Theoretical taxation	-147,390	-156,688
Non-taxable income (+)		
Dividends	355	342
Capital gains on equity securities and equity investments	144	172
Other decreases	380	1,069
Non-deductible costs (-)		
Double taxation on Group's dividends	-3,500	-3,526
Capital losses on equity securities and equity investments	-664	-336
Interest expense	-20	-
Other non-deductible costs	-3,129	-2,804
Other effects (+/-)		
IRAP	-14,779	-23,137
Prior years' taxes	40,217	1,228
of which:		
– IRAP reimbursement related to EU dividends	37,584	-
Rate change of companies under foreign law	42,766	49,413
Non-income deferred tax assets and liabilities on tax losses	-3,753	-3,621
Other adjustments (DTAs/DTLs non-income-based)	148	-504
Other consolidation adjustments	-29	-156
Actual tax expense	-89,254	-138,548
Total actual tax rate	16.7%	24.3%
Actual tax rate (IRES only)	21.4%	20.5%
Actual tax rate (IRAP only)	2.8%	4.1%

As regards the extraordinary reimbursement of prior years' taxes, reference should be made to Part B, Section 10 – Current and deferred tax assets and liabilities of these Notes and Comments.

Total receivables from Tax Authorities amounted to **37,584 thousand euros** at 31 December 2025, to which **2,171 thousand euro** interest receivable was added for late reimbursement, recognised through profit or loss under item 10 “Interest income and similar revenues” and subject to an IRES/IRAP taxation of **706 thousand euros**.

The net impact recognised in the Profit and Loss Account was thus **39,049 thousand euros**.

Net of the aforementioned effect of the reimbursement of extraordinary taxes paid on dividends from EU subsidiaries, the Bank's total tax rate was 23.6%, down compared to 2024 (24.3%), due to the lower IRAP paid following the introduction of the new regulatory framework on the deductibility of dividends from EU subsidiaries, partly offset by a decline in the contribution of foreign entities.

In particular, the provision introduced by the 2026 Italian Budget Law that reduced the portion of dividends received from EU subsidiaries taxable for IRAP purposes led to a **5.6 million euro** decline in the IRAP charge recognised in the year.

Section 23 – Net profit (loss) for the year attributable to minority interests - Item 340

23.1 Breakdown of Item 340 “Net profit (loss) for the year attributable to minority interests”

	2025	2024
Other equity investments		
1. Intermonte SIM S.p.A.	866	-
Total	866	-

Section 25 – Earnings per share

25.1 Average number of ordinary shares with diluted capital

	2025	2024
Net profit for the year (€ thousand)	445,845	431,225
Earnings attributable to ordinary shares (€ thousand)	445,845	431,225
Average number of outstanding shares (thousand)	114,064	114,008
EPS – Earnings per share (euros)	3.91	3.78
Average number of outstanding shares with diluted capital (thousand)	114,064	114,008
EPS – Diluted earnings per share (euros)	3.91	3.78

PART D – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Analytical Consolidated Statement of Comprehensive Income

ITEMS	2025	2024
10. Net profit (loss) for the year	446,711	431,225
Other income, without transfer to Profit and Loss Account	-1,817	-878
20. Equity securities designated at fair value through other comprehensive income:	-3,355	-109
a) fair value changes	-3,355	-109
b) transfers to other net equity components	-	-
30. Financial liabilities designated at fair value through profit or loss (change in own creditworthiness)	-	-
a) fair value changes	-	-
b) transfers to other net equity components	-	-
40. Equity security hedges designated at fair value through other comprehensive income	-	-
a) fair value changes (hedged instrument)	-	-
b) fair value changes (hedging instrument)	-	-
50. Property and equipment	-	-
60. Intangible assets	-	-
70. Defined benefit plans	1,623	-956
80. Non-current assets held for sale and disposal groups	-	-
90. Share of valuation reserves of equity investments valued at equity	-	-
100. Finance income or expenses related to insurance contracts issued	-	-
110. Income taxes on other income, without transfer to Profit and Loss Account	-85	187
Other income, with transfer to Profit and Loss Account	-4,670	9,834
120. Hedges of a net investment in a foreign operation:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
130. Exchange differences:	753	-526
a) value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	753	-526
140. Cash flow hedges:	-3,572	6,931
a) fair value changes	-3,572	6,931
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
of which: result of net positions	-	-
150. Hedging instruments (non-designated items):	-	-
a) value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
160. Financial assets (other than equity securities) measured at fair value through other comprehensive income	-4,420	8,338
a) fair value changes	-3,016	4,374
b) transfer to Profit and Loss Account	-1,404	3,964
1) adjustments for credit risk	76	54
2) gains (losses) on disposal	-1,481	3,910
c) other changes	-	-
170. Non-current assets held for sale and disposal groups:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-

ITEMS	2025	2024
180. Share of valuation reserves of equity investments valued at equity:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
1) adjustments to non-performing loans	-	-
2) gains (losses) on disposal	-	-
c) other changes	-	-
190. Finance income or expenses related to insurance contracts issued:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
200. Finance income or expenses related to reinsurance contracts held:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
210. Income taxes on other income. with transfer to Profit and Loss Account	2,570	-4,909
220. Total other income components	-6,487	8,956
230. Comprehensive income (Item 10 + 220)	440,224	440,181
240. Consolidated comprehensive income attributable to minority interests	866	-213
250. Consolidated comprehensive income attributable to the Parent Company	439,358	440,394

PART E – INFORMATION ON RISKS AND RISK HEDGING POLICIES

Foreword

In 2024, Banca Generali increased its interest in BG Saxo SIM S.p.A.'s share capital, bringing it to 49% thanks to a new joint venture agreement with Saxo Bank. The increase above 20% entails that the Bank of Italy carries out “*supervision on a consolidated basis over the following entities: [...] b) banking, financial and instrumental companies at least 20% of whose capital is held by companies belonging to a banking group or by an individual bank; [...]*” (Article 65, paragraph 1, of TUB).

The agreement between Banca Generali and Saxo Bank provides for joint control over BG Saxo SIM.

Accordingly, with a 49% equity investment — exceeding 20% — it was necessary to apply the proportionate consolidation of BG Saxo SIM into Banca Generali Group for prudential purposes. This consolidation method was introduced by Article 18, paragraph 4, of CRR, but is no longer applicable under IFRS 11, therefore, in the consolidated financial statements, BG Saxo SIM continues to be valued at equity, resulting in a mismatch at prudential level.

Section 1 – Accounting consolidation risks

See Section 2 – Prudential consolidation risks here below for the qualitative information required by Circular No. 262 of 22 December 2005 (8th update of 17 November 2022).

Quantitative information

A. Credit quality

A.1 Credit exposures to non-performing and performing loans: balances, adjustments, performance and income breakdown

For the purposes of quantitative information about credit quality, credit exposures include the entire financial asset portfolio, regardless of the portfolio of allocation for accounting purposes, with the exception of equities and UCITS units.

For further information on credit assets underlying the Forward Fund (mainly non-performing loans to the Italian National Healthcare System), reference should be made to section 2, subsection D.

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

PORTFOLIOS/QUALITY	BAD LOANS	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE EXPOSURES	PERFORMING PAST-DUE EXPOSURES	OTHER PERFORMING EXPOSURES	TOTAL
1. Financial assets measured at amortised cost	29,413	1,283	7,793	9,291	12,467,524	12,515,304
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	3,522,223	3,522,223
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	21,309	21,309
5. Financial assets held for sale	-	-	-	-	1,508	1,508
Total at 31.12.2025	29,413	1,283	7,793	9,291	16,012,564	16,060,344
Total at 31.12.2024	25,469	2,486	9,008	16,750	14,118,662	14,172,375

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

PORTFOLIOS/QUALITY	NON-PERFORMING				PERFORMING			
	GROSS EXPOSURE	TOTAL ADJUSTMENTS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS	GROSS EXPOSURE	TOTAL ADJUSTMENTS	NET EXPOSURE	TOTAL (NET EXPOSURE)
1. Financial assets measured at amortised cost	61,101	22,612	38,489	83,093	12,480,815	4,000	12,476,815	12,515,304
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	3,522,551	328	3,522,223	3,522,223
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	21,309	21,309
5. Financial assets held for sale	-	-	-	-	1,508	-	1,508	1,508
Total at 31.12.2025	61,101	22,612	38,489	83,093	16,004,874	4,328	16,021,855	16,060,344
Total at 31.12.2024	58,546	21,583	36,963	-	14,117,625	4,803	14,135,412	14,172,375

PORTFOLIOS/QUALITY	ASSETS WITH CLEARLY POOR CREDIT QUALITY		OTHER ASSETS
	CUMULATIVE CAPITAL LOSSES	NET EXPOSURE	NET EXPOSURE
1. HFT financial assets	-	-	91,407
2. Hedging derivatives	-	-	153,464
Total at 31.12.2025	-	-	244,871
Total at 31.12.2024	-	-	131,334

B. Information on structured entities (other than securitisation companies)

The consolidation scope of Banca Generali Banking Group does not include structured entities consolidated for accounting or prudential purposes.

B.2.2 Other structured entities**Qualitative information**

Pursuant to IFRS 12, other structured entities consist solely of units of Italian and foreign UCITS.

The UCITS portfolio includes the Forward Fund, a closed-ended, reserved alternative investment fund (AIF) managed by Gardant SGR, specialised in illiquid investments. The fund was subscribed in October 2021 in the amount of 378 million euros, as part of the restructuring of a portfolio of senior notes issued by several special-purpose vehicles in the securitisation of healthcare past-due or unpaid receivables, which Banca Generali purchased from its customers to protect them against possible losses, and concurrently transferred to the Fund, subscribing 98% of its units. Additional units for 112 million euros were subscribed in 2022. At the end of 2025, the value of the Fund was 479.4 million euros.

For a detailed analysis of the transaction and the related accounting treatment, reference should be made to the information provided in “Part E – Information on Risks and Risk Hedging Policies”, Section 2 “Prudential consolidation risks”, Subsection D “Transfers”, paragraph C “Prudential consolidation - Transferred financial assets fully derecognised” of the Annual Integrated Report at 31 December 2021 and of these Notes and Comments.

Quantitative information

The following table presents the assets, liabilities and off-balance sheet exposures towards structured entities represented by units of UCITS.

ITEMS/TYPE OF STRUCTURED ENTITY	ACCOUNTING PORTFOLIOS – ASSETS	TOTAL ASSETS (A)	ACCOUNTING PORTFOLIOS – NET EQUITY AND LIABILITIES	TOTAL NET EQUITY AND LIABILITIES (B)	NET BOOK VALUE (C = A – B)	MAXIMUM EXPOSURE TO RISK OF LOSS (D)	DIFFERENCE BETWEEN EXPOSURE TO RISK OF LOSS AND BOOK VALUE (E = D – C)
UCITS	20. a) Financial assets mandatorily held for trading	57	-	-	57	57	-
UCITS	20. c) Financial assets mandatorily measured at fair value through profit or loss	480,524	-	-	480,524	480,524	-
Total		480,581	-	-	480,581	480,581	-

31.12.2025

Invesco Global Block	50
QF ALPHA IMM	7
Algebris NPL Partnership SCS (AIF)	101
MIP I Fund (FIA) - Milano Investment Partners SGR	964
Tenax Italian Credit fund PLC (IE Sicav)	21
Forward Fund CL A	479,438
Total	480,581

Section 2 – Prudential consolidation risks

The development of a genuine risk culture within Banca Generali Group is based upon an understanding of the risks that the Group assumes and how they are managed, while always taking full account of the risk tolerance threshold defined in the Bank's Risk Appetite Framework (RAF).

In this context, the internal control system plays a key role in the risk management process, as well as in the Banking Group's corporate governance generally.

The internal control system is a set of organisational rules, procedures and structures aimed at ensuring compliance with company strategies, while also seeking to achieve:

- › the efficiency and effectiveness of work processes;
- › the maintenance of asset value and protection against losses;
- › the reliability and integrity of accounting and operating information;
- › operational compliance with the law and supervisory regulations;
- › policies, plans, regulations and internal procedures; and
- › the dissemination of a culture of control involving training initiatives for the various levels.

Banca Generali Banking Group has designed an internal control model consistent with best practices at the national and international levels and structured on three different organisational levels:

- › first-line controls: they are performed by production or back-office company areas and organisational units, with the support of information technology procedures, where envisaged, and take the form of hierarchical or line checks;
- › second-line controls: they aim at preventing and mitigating risks of different nature through prior risk assessment of products and business practices, and the development of ex-ante support to operating activities. The aforementioned checks are performed by the following functions:
 - Chief Risk Office: it is tasked with identifying, measuring/evaluating and monitoring all types of risks to which the Banking Group is exposed in terms of its own assets (excluding the risks of non-compliance, money laundering and financing of terrorism), providing relevant information and thereby contributing to the definition and implementation of the Risk Appetite Framework, as well as all related risk management policies. The Chief Risk Office function acts with a view to maintaining risk levels within the limits and tolerance thresholds indicated in the risk profile and strategies established by the Board of Directors in the Risk Appetite Framework; it assures that risks are fully and transversally analysed, and to this end it applies a strategic, consistent and prospective approach and duly provides periodic reports;
 - Chief Compliance Office: it is tasked with verifying the observance of obligations relating to the provision of services for the Banking Group companies and with preventing and managing the risk of non-compliance with applicable legislation;
 - Chief Anti-Financial Crime Office: it is responsible, within the Banking Group, for preventing and combating transactions involving money laundering and financing of terrorism;
- › third-line controls: they are conducted by the Chief Audit Office and are aimed at an independent verification of the operating efficacy and quality of control systems and the verification of any conduct departing from the established rules.

The proper functioning of the risk governance system adopted by Banca Generali Group is ensured by consistency from the standpoint of organisational structure, competencies and a guarantee of the independence of functions.

Within the internal control system, it is possible to identify the second line as the home to an internal risk management culture that then effectively translates into company behaviour and choices.

The following entities operate within the Internal Control System, in addition to the tasks assigned to the Board of Directors, the Control Body and the independent auditors (which are responsible for accounting control):

- › the Internal Audit and Risk Committee, which was set up pursuant to the Corporate Governance Code for Listed Companies and supervisory provisions, and is tasked with performing a supporting role, with investigative, propositional and advisory duties in relation to the Board of Directors and the Board of Statutory Auditors, in particular on matters of internal control and risk management, related parties and connected parties, statutory auditing and equity investments. The tasks and functions of the Committee, as well as the frequency of its meetings and the operating procedures to be followed to ensure that its duties are efficiently and effectively performed, shall be regulated pursuant to specific Internal Audit and Risk Committee Rules;
- › the Risk Committee, which is charged with ensuring coordinated coverage of the system for managing and controlling the risks assumed by the Group in compliance with the Risk Appetite Framework; it is vested with specific responsibility for monitoring the Group's risks, such as the management of risk mitigation measures, as well as decision-making powers for identifying and implementing said measures;
- › the Supervisory Board, which is the corporate body in charge of updating the Organisational and Management Model and monitoring the implementation of and compliance with the said Model;
- › the Law 262 Organisational Unit, which acts as a point of reference, orienting and coordinating the management of all the Banking Group's administrative and accounting risks, for the intents and purposes of Italian Law No. 262/2005.

1.1 Credit risk

Qualitative Information

1. General aspects

Credit risk refers to the possibility that a counterparty will become insolvent or a borrower will be unable to meet its obligations or unable to meet them on time. More specifically, credit risk is the possibility that an unexpected change in the creditworthiness of a counterparty, to which an exposure exists, may generate a corresponding unexpected change in the market value of the associated exposure.

As part of its credit risk management process, the Group has established a formal Credit Risk Management Policy and Financial Portfolio Risk Management Policy, which lay down the general principles and the roles of corporate bodies and functions involved in managing risks associated with loans granted to customers and institutional counterparties and deriving from investment in financial instruments. The Policies also include the Group's credit risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

In accordance with Banca Generali Group's business model, this type of risk chiefly arises from liquidity invested in money markets (interbank deposits), financial instruments (mainly government bonds) held in portfolios measured at amortised cost or in FVOCI and loans to customers (uncommitted and/or fixed-term credit). With regard to the latter, in line with the provisions of the Risk Appetite Framework and in accordance with the Business Model and the lending policies adopted, credit activity is an ancillary means of achieving the priority objectives in the private banking sector. In this context, the Bank prefers a customer target with a strong capital position, mainly focused on natural persons. In fact, there is a clear prevalence of exposures to the private segment (made up primarily of private customers and customers subject to special agreements), compared to the corporate segment.

With regard to the composition of Banca Generali's portfolio, the portion classified as HTC consists primarily of debt security exposures towards governments and, to a lesser extent, lines of uncommitted and/or fixed-term credit to retail and corporate customers.

In addition, the HTC component also includes a marginal portfolio of exposures to customers classified as purchased or originated credit-impaired (POCI) financial assets, which do not fall within the Bank's core lending activity.

These mainly refer to the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues and, to a lower extent, amounts receivable as a result of the transfer by customers to the Bank of usufruct rights on coupons accruing on the above-mentioned products, described in section "3.3 Purchased or originated credit-impaired financial assets" below.

These exposures to customers refer to a business model that provides for holding such positions until their full repayment by the debtor and qualify as POCI as the illiquid products pledged as collateral were non-performing at the date the receivable was purchased.

Given their specific nature, these non-performing exposures are not supported by traditional collateral and the measurement of their expected credit losses is more complex. Therefore, they are subject to a specific write-off procedure.

With regard to institutional borrowers, credit risk management is based on the allocation of appropriate credit lines, which are monitored by the Chief Risk Office and established with the objective of maintaining a portfolio's risk profile that is consistent with the strategies and risk appetite approved by the Board of Directors.

Operating limits on the amounts of credit lines granted to institutional counterparties are governed by Group policies, which set out the maximum credit that may be extended to a counterparty based on its rating class. The overall consistency of ECAI ratings with internal credit assessments is verified by the Chief Risk Office at least annually.

The review of the credit lines is performed at least once a year involves updating existing credit lines for counterparties that are already borrowing from the Bank or examining new credit line proposals with a view to diversifying the proprietary portfolio and developing new business linked to market opportunities.

The credit risk associated with business with customers is primarily managed by monitoring the performance of the overall portfolio and individual positions and by setting operating and process limits defined in the Risk Appetite Framework. More specifically:

- › loans to customers: the portfolio in question consists primarily of debt securities measured at amortised cost and loans to private customers, in the form of Lombard loans, uncommitted current accounts, fixed-term loans and mortgage loans (in the latter case, for customers subject to special agreements). Overall, the weight of non-performing exposures on the portfolio remained low when compared to the banking system;
- › non-performing loans: the portfolio of NPLs to customers, which includes lines of non-performing uncommitted and/or fixed-term credit, is mostly secured by pledges of securities and bank and government guarantees and has a good level of provisions in the residual cases in which the collateral is insufficient;
- › performing loans: the portfolio of uncommitted and/or fixed-term loans to customers is approximately 78% composed of exposures to natural persons, whereas the remainder is composed of exposures to companies. Credit is primarily provided in the form of uncommitted facilities and Lombard loans, which together account for around 70% of the used exposure. In accordance with the Bank's lending policies and risk appetite, credit is mostly secured by pledges of highly liquid financial instruments and products.

The Credit function and the Finance function carry out first-line control activities. The Finance Department is responsible for lending to institutional counterparties (loans to banks) and investment in financial instruments considered in determining the Group's overall credit exposure.

The second-line control activities are the responsibility of the Chief Risk Office, which ensures the consistency of the processes, strategies and Risk Appetite Framework (RAF), yearly approved by the Bank's Board of Directors. In the specific case of portfolios of loans to private and corporate investors, the Chief Risk Office is tasked with assessing, monitoring and managing credit risk through monitoring of the performance of the overall portfolio, the control of the rules set forth by the Risk Appetite Framework, the drawing up of a prompt and adequate internal report to be submitted to the Bank and its corporate bodies.

Moreover, particular importance is placed on managing the credit risk associated with institutional borrowers. These borrowers are allocated appropriate credit lines, which are monitored by the Chief Risk Office and established with the objective of always maintaining a level of risk of the portfolio that is consistent with the strategies and the Risk Appetite Framework.

Third-line controls are conducted by the Chief Audit Office, in accordance with the Internal Rules.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the credit risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

Loans subject to Covid measures

In response to the pandemic emergency that broke out in 2020, the Group took various initiatives in support of the real economy, to inject liquidity in Italy's businesses, participating in the initiatives launched by the Government in March and April 2020 ("Cure Italy Decree" and "Liquidity Decree"). These initiatives included the issue of loans guaranteed by the Mediocredito Centrale SME Guarantee Fund to obtain the guarantees provided for in the Liquidity Decree for loans to Italian companies according to the definition provided in the Decree (companies with fewer than 500 employees, including microenterprises and independent contractors, artisans and self-employment professionals).

To date, this exposure is being reduced by repayment in the case of performing positions, and under recovery as regards NPLs, given that the disbursement of these credit lines ended in 2021.

2. Credit risk management policies

2.1 Organisational aspects

The Bank's processes provide for the private and corporate customer credit activity to be run by the Credit function and loans to institutional counterparties and banks to be run by Banca Generali's Finance function.

The Credit function is in charge of the processing of loan applications and the management of overdraft facilities granted by the Bank, as established and governed by the specific Credit Regulation, with a view to ensuring compliance with the law and regulations and the quality of approved loans and to maintaining the risk/return targets established by the Board of Directors.

Since 2024, the credit risk of BG (Suisse) Private Bank S.A. has also been monitored; however, to date this risk is negligible with respect to the overall portfolio.

2.2 Management, measurement and control systems

In addition to issuing loans, the Credit function is also charged with credit management and first-line control, with a proactive approach aimed at anticipating and preventing the deterioration of the loan portfolio.

Within the Credit function, responsibility for monitoring is assigned to specialised individual units on the basis of the supervisory classification of customers (performing and non-performing). The purpose of this is to maximise the efficacy of the actions aimed at monitoring and mitigating credit risk throughout the customer relationship.

The current NPL portfolio stands at moderate values compared to the total exposure, is primarily secured and has been written down for the unsecured portion, resulting in moderate residual risk. Nearly 40% of the NPL portfolio consists of exposures originating in the portfolio (so-called “ex-indemnity”) of Banca del Gottardo Italia, fully covered by the loan indemnity granted by BSI S.A. (now EFG Bank AG) upon the sale of the said company and chiefly secured to that end by cash collateral payments by the counterparty.

The exposure to credit risk associated with the securities portfolio is mostly originated by investments in government bonds (approximately 80%), investment-grade bank securities and covered bonds. The corporate securities in the portfolio are negligible.

2.3 Expected loss measurement methods

In compliance with IFRS 9, the Bank has adopted an impairment model based on the concept of expected losses, which makes it possible to determine adjustments to loans on the basis of the parameters of PD (probability of default) and LGD (loss given default) in forward-looking and point-in-time terms, conditional upon macroeconomic scenario models. Such value adjustments are determined over a time horizon of one year in the event of positions classified to Stage 1, or on a lifetime horizon, in the event of positions classified to Stage 2.

The stage assignment criteria for the portfolio of loans to customers in the form of uncommitted and fixed-term loans take account of the counterparty's status, any forbearance measures, decline in creditworthiness compared with origination and limits exceeded for more than 30 days.

When calculating impairment, the probability of default is determined on the basis of the counterparty's rating class (the Bank adopts a management rating model developed with the CSE consortium) and the residual term of the loan. The parameter LGD is largely determined on the basis of loan type and counterparty type and whether certain guarantees are present. In addition, the parameter EAD (Exposure At Default) is equal to the accounting balance for demand positions, individual contractual cash flows discounted according to the internal rate of return (IRR) for term positions and the accounting balance adjusted by the regulatory Credit Conversion Factor (CCF) for off-balance sheet exposures.

Within the debt securities portfolio, securities classified to the Held-To-Collect and the Held-To-Collect-and-Sell portfolios that have passed the SPPI test are tested for impairment.

When calculating impairment, it is fundamental to classify the staging of individual positions in order to identify any decline in creditworthiness (credit quality) between the purchase of the security and the reporting date. This process (stage assignment) determines the residual quantities and the date with which to associate the credit quality/rating upon purchase, to be compared with the credit quality/rating observed at the reporting date for the purposes of identifying any “significant decline” in credit quality.

The impairment of securities subject to the IFRS 9 rules is calculated according to the following variables:

- › PD: the model adopted for calculating the probability of default (PD) to be applied to the proprietary portfolio within the impairment scope is based on an estimate of a term structure default probability for each security. The component representing the remuneration for operators' risk aversion is eliminated from default probability measures so as to isolate the credit component (so-called “real world approach”);
- › LGD: the estimate of the loss given default (LGD) to be applied to the portfolio is calculated according to a deterministic approach in which the LGD parameter is assumed to be constant over the financial asset's entire time horizon as a function of the ranking of the instrument and the classification of the issuer's country;
- › EAD: in the case of the proprietary finance portfolio, reference is made to the nominal value, inclusive of the coupon accrued at the measurement date, discounting both values at the security's rate of return.

In the year, the Group benefitted from its improved calculation capabilities and what-if and stress analyses to test portfolio securities for impairment, reducing operational process risks and ensuring an improvement in the methodologies used to calculate the parameters described above.

2.4 Credit risk mitigation techniques

With regard to the portfolio of loans to private and corporate customers, in order to mitigate credit risk toward customers and in line with its lending policies, the Bank mainly acquires collaterals and, only secondarily, personal guarantees provided by natural persons. These are in addition to the personal guarantees provided by the Mediocredito Centrale SME Guarantee Fund to secure credit facilities granted to support the economy in the Covid-19 pandemic scenario (a portfolio currently decreasing).

Collaterals are chiefly in the form of pledges on securities, such as Funds and Sicavs, discretionary mandates, assets under administration and insurance products.

As limited to customers subject to special agreements, the Bank also acquires mortgages, almost exclusively in residential properties used as a primary residence.

Banca Generali also benefits from an additional master guarantee, known as an indemnity, provided by BSI S.A., now EFG Bank AG as a result of the merger of the two institutions in 2017, for the entire loan portfolio originating with Banca del Gottardo Italia acquired by BSI Italia S.p.A. on 1 October 2008.

This guarantee, which is similar to a first-demand bank guarantee, covers all loans and any associated losses sustained from acquisition until 31 December 2009. After such date, the indemnity was maintained for those positions managed with the aim of recovery and those positions that showed a default event for which payment of the indemnity was requested from the guarantor, BSI S.A., today EFG Bank AG.

At 31 December 2025, indemnity positions amounted to approximately 13,382 thousand euros, which net of adjustment declined to about 5,282 thousand euros (see section 3. Credit exposures to non-performing loans).

3. Credit exposures to non-performing loans

3.1 Management strategies and policies

Non-performing financial assets are classified into several non-performing categories in accordance with the instructions issued by the Supervisory Authority, as provided for in Bank of Italy Circular No. 272 dated 20 July 2008 (as subsequently updated), which refers to the provisions of the European regulation as regards the definition of default.

The process of identifying doubtful positions requires constant monitoring of positions. When limits are exceeded, various debt procedures are triggered to recover the credit. In general, considering that the vast majority of positions are secured by pledges of financial instruments, there are no residual debt exposures once the enforcement procedure has been concluded. If the exposure is unsecured or there is a residual unsecured exposure, the Bank activates the process for recovering it.

Expected losses are formulated specifically for each position on the basis of all relevant valuation elements (debtor's assets, earned income, date of expected recovery, etc.), with the exception of unsecured positions classified as past due and unlikely to pay of amounts less than 10 thousand euros, which are subject to impairment at a standard rate.

Total net cash non-performing loans (hereinafter "NPLs"), net of 20,984 thousand euro POCI positions reclassified to bad loans, amounted to 17,505 thousand euros and included operating loans totalling 2,966 thousand euros. Net non-performing loans were broken down as follows:

- › net bad loans amounting to 8,429 thousand euros referring mainly to financing, of which 5,282 thousand euros (63%) covered by indemnities, 148 thousand euros (1.8%) secured by mortgages and similar guarantees (Mediocredito Centrale SME Guarantee Fund) and 132 thousand euros (2.8%) unsecured; the residual 2,867 thousand euros related to operating loans mainly in the form of advances to Financial Advisors;
- › net unlikely-to-pay loans of 1,283 thousand euros, of which just 152 thousand euros (12%) actually at risk, and the remaining 1,131 thousand euros (88%) secured by collateral (pledges or mortgages) or similar guarantees (mandate to policy-related collections or guarantee from the Mediocredito Centrale SME Guarantee Fund);
- › net past-due non-performing loans of 7,793 thousand euros, of which 5,996 thousand euros (77%) secured by collateral (mortgage and pledge) or equivalent guarantees (mandate to policy-related collections, guarantee from the Mediocredito Centrale SME Guarantee Fund and SACE policy) and 1,797 thousand euros (30%) unsecured.

Net non-performing loans in the form of financing may be broken down as follows:

- › about 30% (5,282 thousand euros) of exposures referring to Banca del Gottardo Italia's customers and guaranteed by indemnity issued by the seller BSI S.A., now EFG Bank AG; as described above, these exposures do not entail any risk for the Bank. Therefore, no further adjustments were made to these positions with respect to the impairment already carried out by Banca del Gottardo Italia;
- › about 70% (12,223 thousand euros) of exposures for which the Bank is at risk, mostly secured by pledges or mortgages.

Excluding positions covered by indemnities — which, as mentioned above, do not entail any risk for Banca Generali — and operating loans, non-performing cash positions on loans to customers amounted to 9,356 thousand euros. However, considering positions secured by collateral or similar guarantees, which at 7,275 thousand euros make up approximately 42% of total net non-performing loans, a residual total amount of 2,081 thousand euros of net non-performing loans are not secured by collateral, representing 12% of total net non-performing loans and an entirely marginal fraction of total net loans to customers (0.02%).

3.2 Write-offs

The Banking Group has not adopted any write-off policy, except as described in the following paragraph.

3.3 Purchased or originated credit-impaired financial assets

At 31 December 2025, the Banking Group's portfolio included purchased or originated credit-impaired financial assets of a residual amount of 21.0 million euros.

This item entirely referred to the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues. At year-end, as part of its credit assessment process, the Bank recognised total write-offs on these exposures amounting to 17,302 thousand euros, of which 4.8 million euros related to usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024.

These exposures have been reclassified as originated impaired since they relate to financial instruments for which, at the date of transfer, the SPV had not complied with the contractual repayment terms.

In the following tables, these exposures have been included in bad loans where the specific “Purchased or originated credit-impaired” column is not present.

4. Financial assets subject to commercial renegotiations and forbore exposures

A forbearance measure is an amendment of the original contractual conditions or refinancing granted to a customer in a situation of financial distress in respect of a credit position, which would not have been granted if the customer had not been in such a situation and/or that, conversely, would have resulted in default by the customer had they not been granted.

The Bank takes an individual measurement approach to each exposure. The Bank considers an exposure forbore when one of the following conditions has been met:

- a) the amended contract has been fully or partially past due by more than 30 days at least once in the three months prior to the contractual amendment or would have been fully or partially past due by more than 30 days without the amendment;
- b) at or around the same time as an additional loan is granted, the customer repays the principal or pays the interest on another contract fully or partially past due by 30 days at least once in the three months prior to the refinancing;
- c) the Bank approves the use of embedded clauses in which the customer is past due by 30 days or the debtor would have been past due by 30 days without the exercise of such clauses.

This assessment is performed by a specific specialised unit of the Credit Department as regards the portfolio portion of loans to customers.

At 31 December 2025, outstanding forbore exposures in the portfolio of loans to customers were mostly classified as performing positions (86%), with the remainder classified as non-performing (14%). Nearly all positions were secured by collateral (primarily pledges and, to a marginal extent, mandate to policy-related collections).

Exposures subject to forbearance measures at 31 December 2025 mostly consisted (approximately 54%) of exposures in amortisation and, to a lesser extent, uncommitted cash exposures. As for the impact on the net present value of the contractual cash flows of the forbearance measures granted over a period of 24 months, given the nature of the renegotiation transactions subject to forbearance measures, represented essentially by the renegotiation of the uncommitted cash exposure in amortising loans with a final variable rate, the impact of such exposures on net present value is believed not to be material.

Quantitative information

A. Credit quality

A.1 Credit exposures to non-performing and performing loans: balances, adjustments, performance and income breakdown

For the purposes of quantitative information about credit quality, credit exposures include the entire financial asset portfolio, regardless of the portfolio of allocation for accounting purposes, with the exception of equities and units of UCITS.

A.1.1 Prudential consolidation - Breakdown of financial assets by maturity brackets (book value)

PORTFOLIOS/ RISK STAGES	STAGE 1			STAGE 2			STAGE 3			PURCHASED OR ORIGINATED CREDIT-IMPAIRED			
	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS	OVER 90 DAYS
1. Financial assets measured at amortised cost	3,210	-	2	2,828	2,564	687	21	207	11,850	-	-	-	20,984
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-
Total at 31.12.2025	3,210	-	2	2,828	2,564	687	21	207	11,850	-	-	-	20,984
Total at 31.12.2024	13,287	-	73	1,971	1,362	614	41	117	17,176	-	-	-	15,790

A.1.2 Prudential consolidation: financial assets, commitments to disburse funds and financial guarantees issued - changes in total adjustments and total provisions

CAUSES/RISK STAGES	ADJUSTMENTS																								TOTAL PROVISIONS FOR COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED					TOTAL
	ASSETS ALLOCATED TO STAGE 1						ASSETS ALLOCATED TO STAGE 2						ASSETS ALLOCATED TO STAGE 3						PURCHASED OR ORIGINATED CREDIT - IMPAIRED FINANCIAL ASSETS											
	DL	AC	OCI	HFS	IW	CW	DL	AC	OCI	HFS	IW	CW	DL	AC	OCI	HFS	IW	CW	AC	OCI	HFS	IW	CW	S1	S2	S3	C			
Total adjustments at year-start	91	3,745	251	-	-	4,087	8	806	-	-	-	814	0	20,307	-	-	20,307	-	1,276	-	-	1,276	-	50	7	24	11,715	38,280		
Increases from purchased or originated financial assets	-	1,033	323	-	-	1,356	-	66	-	-	-	66	-	-	-	-	-	-	X	X	X	X	X	11	10	-	43,264	44,707		
Cancellations other than write-offs	-81	-1,156	-157	-	-	-1,394	-	-432	-	-	-	-432	-	36	-	-	36	-	-	-	-	-	-	-6	-3	-	-	-1,799		
Net adjustments/reversals for credit risk (+/-)	1	-339	-89	-	-	-427	-7	276	-	-	-	269	-	2,969	-	-	2,969	-	-	-	-	-	-	-14	24	19	-	2,840		
Contractual changes without cancellations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Changes in the assessment methods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Write-offs not directly recognised through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-700	-	-	-700	-	-1,276	-	-	-1,276	-	-	-	-24	-28,886	-30,886		
Total adjustments at year-end	11	3,283	328	-	-	3,622	1	716	-	-	-	717	-	22,612	-	-	22,612	-	-	-	-	-	-	41	38	19	26,093	53,142		
Recovery from collection of written off financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Write-offs directly recognised through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	212	-	-	212	-	-	-	-	-	-	-	-	-	16,027	16,239		

DL: Demand loans to banks and central banks
AC: Financial assets measured at amortised cost
OCI: Financial assets measured at fair value through other comprehensive income
HFS: Financial assets held for sale
IW: of which: individual write-downs

CW: of which: collective write-downs
S1: Stage 1
S2: Stage 2
S3: Stage 3
C: Commitments to disburse funds and financial guarantees issued, purchased or originated credit-impaired

Pursuant to IFRS 7, paragraph 35H, letter b) (iii), it is reported that the final total adjustments to Stage 2 trade receivables amounted to approximately 8 thousand euros, down compared to their initial levels.

Total final adjustments on the securities portfolio amounted to 2,008 thousand euros and improved by approximately 591 thousand euros, mainly due to the reduced Probability of Default (PD) associated with the Italian government issuer.

A.1.3 Prudential consolidation: financial assets, commitments to disburse funds and financial guarantees issued – transfers between the different credit risk stages (gross and nominal values)

PORTFOLIOS/RISK STAGES	GROSS AMOUNTS/NOMINAL VALUE					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
1. Financial assets measured at amortised cost	32,341	60,537	3,536	91	3,597	-
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
3. HFS financial assets	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees issued	4,413	159	-	-	-	-
Total at 31.12.2025	36,754	60,696	3,536	91	3,597	-
Total at 31.12.2024	126,405	115,767	1,731	137	2,952	-

A.1.3a Loans subject to Covid-19 support measures: transfers between the different credit risk stages (gross and nominal values)

At the end of 2025, exposures subject to Covid-19 support measures transferred from Stage 1 to Stage 3 amounted to approximately 714 thousand euros. Exposures related solely to loans to SMEs secured by the Mediocredito Centrale SME Guarantee Fund.

PORTFOLIOS/RISK STAGES	GROSS VALUES					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
A. Loans measured at amortised cost	-	-	-	-	714	-
A.1 Subject to forbearance in accordance with the GLs	-	-	-	-	-	-
A.2 Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-
A.3 Subject to other forbearance measures	-	-	-	-	-	-
A.4 Newly issued loans	-	-	-	-	714	-
B. Loans measured at fair value through other comprehensive income	-	-	-	-	-	-
B.1 Subject to forbearance in accordance with the GLs	-	-	-	-	-	-
B.2 Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-
B.3 Subject to other forbearance measures	-	-	-	-	-	-
B.4 Newly issued loans	-	-	-	-	-	-
Total at 31.12.2025	-	-	-	-	714	-
Total at 31.12.2024	462	-	111	-	739	-

A.1.4 Prudential consolidation: cash and off-balance sheet credit exposures with banks - gross and net values

TYPES OF EXPOSURES/VALUES	GROSS EXPOSURE					TOTAL ADJUSTMENTS AND TOTAL PROVISIONS					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED				
A. Cash credit exposures												
A.1 Demand	380,685	380,440	245	-	-	12	11	1	-	-	380,673	-
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	380,685	380,440	245	X	-	12	11	1	X	-	380,673	-
A.2 Other	3,381,006	3,378,550	2,456	-	-	1,029	1,023	6	-	-	3,379,977	-
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Non-performing past-due exposures	-	X	-	-	-	-	X	-	-	-	-	-
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past-due exposures	-	-	-	X	-	-	-	-	X	-	-	-
of which:												
- forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	3,381,006	3,378,550	2,456	X	-	1,029	1,023	6	X	-	3,379,977	-
of which:												
- forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total A	3,761,691	3,758,990	2,701	-	-	1,041	1,034	7	-	-	3,760,650	-
B. Off-balance sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	156,566	-	-	X	-	-	-	-	X	-	156,566	-
Total B	156,566	-	-	-	-	-	-	-	-	-	156,566	-
Total (A + B)	3,918,257	3,758,990	2,701	-	-	1,041	1,034	7	-	-	3,917,216	-

Cash exposures with banks include all cash financial assets claimed from banks, regardless of the portfolio of allocation for accounting purposes: financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, financial assets designated at fair value and other financial assets mandatorily measured at fair value.

Off-balance sheet exposures include all financial transactions other than cash transactions, such as financial derivatives, guarantees issued and commitments, that entail the assumption of credit risk, determined on the basis of the measurement criteria established by the Bank of Italy.

A.1.5 Prudential consolidation: cash and off-balance sheet credit exposures with customers - gross and net values

TYPES OF EXPOSURES/VALUES	GROSS EXPOSURE					TOTAL ADJUSTMENTS AND TOTAL PROVISIONS					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED			
A. Cash credit exposures												
a) Bad loans	44,799	X	-	23,815	20,984	15,386	X	-	15,386	-	29,413	83,093
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	3,000	X	-	3,000	-	1,717	X	-	1,717	-	1,283	-
of which:												
- forborne exposures	561	X	-	561	-	223	X	-	223	-	338	-
c) Non-performing past-due exposures	13,302	X	-	13,302	-	5,509	X	-	5,509	-	7,793	-
of which:												
- forborne exposures	622	X	-	622	-	137	X	-	137	-	485	-
d) Performing past-due exposures	9,413	3,226	6,187	X	-	122	13	109	X	-	9,291	-
of which:												
- forborne exposures	614	-	614	X	-	10	-	10	X	-	604	-
e) Other performing exposures	12,704,573	12,425,439	187,506	X	-	3,177	2,575	602	X	-	12,701,396	-
of which:												
- forborne exposures	6,477	-	6,477	X	-	29	-	29	X	-	6,448	-
Total A	12,775,087	12,428,665	193,693	40,117	20,984	25,911	2,588	711	22,612	-	12,749,176	83,093
B. Off-balance sheet credit exposures												
a) Non-performing	33,517	X	-	408	32,637	26,112	X	-	19	26,093	7,405	-
b) Performing	1,442,318	1,428,015	6,924	X	-	80	41	39	X	-	1,442,238	-
Total B	1,475,835	1,428,015	6,924	408	32,637	26,192	41	39	19	26,093	1,449,643	-
Total (A + B)	14,250,922	13,856,680	200,617	40,525	53,621	52,103	2,629	750	22,631	26,093	14,198,819	83,093

Cash exposures with customers include all cash financial assets claimed from customers, regardless of the portfolio of allocation for accounting purposes: financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, financial assets designated at fair value and other financial assets mandatorily measured at fair value.

Off-balance sheet exposures include all financial transactions other than cash transactions, such as financial derivatives, guarantees issued and commitments, that entail the assumption of credit risk, determined on the basis of the measurement criteria established by the Bank of Italy.

All non-performing off-balance sheet exposures refer to positions entirely secured by pledges.

The classification of non-performing loans to customers relating to the HTC accounting portfolio is shown below; loans and debt securities that reached maturity are thus included.

Bad loans

Gross bad loans to customers amounted to 23,815 thousand euros (net of purchased or originated credit-impaired exposures (POCI) for 20,984 thousand euros) and included 15,386 thousand euros of value adjustments; therefore, net bad loans recognised totalled 8,429 thousand euros. Of this amount, 5,282 thousand euros (63% of net bad loans alone) related to positions attributable to former Banca del Gottardo Italia's customers, fully covered by cash collateral deposits granted by BSI S.A., now EFG Bank AG, as part of the indemnity guarantee.

Excluding "ex-indemnity" positions and bad loans on operating loans amounting to 2,867 thousand euros, net bad loans to ordinary customers thus amounted to 280 thousand euros, equal to about 3% of total net bad loans and 0.002% of total net loans to customers. Considering bad loans secured by guarantees (mortgages of 8 thousand euros and guarantee provided by the Medio-credito Centrale SME Guarantee Fund of 140 thousand euros), residual net bad loans amounted to 132 thousand euros.

The portfolio of bad loans also includes the exposure in debt instruments, amounting to 2,642 thousand euros gross, allocated to the HTC portfolio and deemed almost entirely irrecoverable.

The aggregate (see Table A.1.7) grew by 5,142 thousand euros gross. The change in the exposure was driven by the POCI positions, which increased sharply by 3,018 thousand euros in the year. In detail, the exposure rose by 86,173 thousand euros following the enforcement of guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, covered using the provision for credit risk relating to financial guarantees issued for 59,381 thousand euros and written off for 17,302 thousand euros. The residual bad loans grew by 1,224 thousand euros, due to the combined effect of: 1) increases attributable to new reclassifications from performing exposures amounting to 199 thousand euros, transfers from other non-performing exposures for 4,937 thousand euros, mainly relating to operating loans previously classified as non-performing past-due exposures, and other increases amounting to 725 thousand euros, due to greater draw-downs on positions already classified as bad loans due to the charging of interest; 2) decreases attributable for 4,304 thousand euros to collections and for 44 thousand euros to write-offs.

Purchased or originated credit-impaired (POCI) exposures

Originated credit-impaired exposures amounted to 20,984 thousand euros gross and related to the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues.

The residual 4.8 million euro receivables in relation to usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024 were fully written off in the year.

Unlikely to pay

At 31 December 2025, the gross amount of the item "Unlikely to pay" was 3,000 thousand euros, of which 1,918 thousand euros (64%) attributable to positions secured by collateral or equivalent guarantees (mandate to policy-related collections or guarantee from the Mediocredito Centrale SME Guarantee Fund), and it included 1,717 thousand euros of adjustments, for a net balance of 1,283 thousand euros.

The aggregate (see Table A.1.7) decreased by 967 thousand euros compared to 31 December 2024 as a result of:

- › decreases of 1,572 thousand euros, due mostly to transfers to other categories of non-performing exposures (reclassification to bad loans) for 1,015 thousand euros, as well as collections of 527 thousand euros, referring to counterparties with exposures secured by collateral and similar guarantees, definitively recovered due to repayment and discharge of the exposure, and, to a marginal extent, to derecognitions and minor draw-downs;
- › increases of 605 thousand euros, consisting of new positions transferred from other performing categories amounting to 109 thousand euros and relating to originally performing positions that deteriorated during the year and were classified as unlikely to pay, transfers from other categories of non-performing exposures for 348 thousand euros relating to positions already past due reclassified as unlikely to pay, and greater draw-downs from positions already classified as UTP of 148 thousand euros.

Non-performing past-due exposures

Non-performing past-due exposures amounted to 13,302 thousand euros, including adjustments of 5,509 thousand euros, yielding a net balance of 7,793 thousand euros. The net aggregate mainly includes: i) exposures mainly secured by collateral (mortgage and pledge) or equivalent guarantees (mandate to policy-related collections, guarantee from the Mediocredito Centrale SME Guarantee Fund and SACE policy) totalling 5,996 thousand euros; ii) other unsecured exposures with an average balance per position of approximately 1.3 thousand euros.

The aggregate (see table A.1.7) decreased by 1,620 thousand euros compared to 31 December 2024 as a result of:

- › decreases of 12,102 thousand euros, mainly consisting of collections on past-due positions and/or positions with full repayment of the exposure for 6,171 thousand euros, transfers to other categories of non-performing exposures for 5,285 thousand euros, mainly due to the reclassification of operating loans, return to performing status of past-due exposures due to repayment for 91 thousand euros, write-offs with concurrent recognition of a credit loss for a total of 168 thousand euros and other decreases amounting to 387 thousand euros.
- › increases of 10,482 thousand euros, primarily attributable to new reclassifications from performing positions for 6,986 thousand euros and to increases in already non-performing positions of 3,496 thousand euros.

Performing past-due exposures

Performing past-due exposures also include positions overdrawn or past due by more than 90 days, and for which the amount past due does not exceed the significance thresholds set following the entry into force of the new definition of default established by the European Regulation on prudential requirements for credit institutions and investment firms (Article 178 of Regulation No. 575/2013).

In almost all cases, these are positions guaranteed by pledges found to be past due at the reporting date and currently being repaid.

Loans subject to Covid measures

With regard to Covid-19 support measures at 31 December 2025, loans to SMEs secured by the Mediocredito Centrale SME Guarantee Fund and granted until 2021, amounted to 1,986 thousand euros (of which 524 thousand euro non-performing loans).

A.1.5a Loans subject to Covid-19 measures: gross and net values

TYPE OF EXPOSURES/VALUES	GROSS EXPOSURE					TOTAL ADJUSTMENTS AND TOTAL PROVISIONS					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT - IMPAIRED			
A. Bad loans	-	-	-	-	-	-	-	-	-	-	-	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	-	-	-	-	-	-	-	-	-	-	-	-
B. Unlikely to pay	120	-	-	120	-	11	-	-	12	-	109	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	120	-	-	120	-	11	-	-	12	-	109	-
C. Non-performing past-due loans	460	-	-	460	-	45	-	-	44	-	415	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	460	-	-	460	-	45	-	-	44	-	415	-
D. Performing loans	-	-	-	-	-	-	-	-	-	-	-	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	-	-	-	-	-	-	-	-	-	-	-	-
E. Other performing loans	1,462	1,462	-	-	-	-	-	-	-	-	1,462	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	1,462	1,462	-	-	-	-	-	-	-	-	1,462	-
Total (A + B + C + D + E)	2,042	1,462	-	580	-	56	-	-	56	-	1,986	-

A.1.7 Prudential consolidation: cash credit exposures with customers - changes in gross non-performing exposures

CAUSES/CATEGORIES	BAD LOANS	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE EXPOSURES
A. Gross exposure at year-start	39,657	3,967	14,922
– of which: exposures transferred but not written off	–	–	–
B. Increases	86,173	605	10,482
B.1 New reclassifications from performing exposures	199	109	6,986
B.2 New reclassifications from purchased or originated credit-impaired financial assets ^(*)	80,312	–	–
B.3 Transfers from other categories of non-performing exposures	4,937	348	–
B.4 Contractual changes without cancellations	–	–	–
B.5 Other increases ^(*)	725	148	3,496
C. Decreases	81,031	1,572	12,102
C.1 Reclassification to performing exposures	–	2	91
C.2 Write-offs ^(*)	17,346	1	168
C.3 Repayments received	4,304	527	6,171
C.4 Gains on disposals	–	–	–
C.5 Losses on disposals	–	–	–
C.6 Transfers to other categories of non-performing exposures	–	–	5,285
C.7 Contractual changes without cancellations	–	–	–
C.8 Other decreases ^(*)	59,381	1,042	387
D. Gross exposure at year-end	44,799	3,000	13,302
– of which: exposures transferred but not written off	–	–	–

(*) Items mainly refer to the performance of POCL exposures.

A.1.7-bis Prudential consolidation: cash credit exposures with customers - changes in gross forborne exposures, broken down by credit quality

CAUSES/QUALITY	NON-PERFORMING FORBORNE EXPOSURES	PERFORMING FORBORNE EXPOSURES
A. Gross exposure at year-start	732	4,686
– of which: exposures transferred but not written off	–	–
B. Increases	636	3,799
B.1 New reclassifications from performing non-forborne exposures	535	684
B.2 New reclassifications from performing forborne exposures	47	X
B.3 New reclassifications from non-performing forborne exposures	X	–
B.4 Other increases	54	3,115
C. Decreases	185	1,394
C.1 Reclassifications to performing non-forborne exposures	X	563
C.2 Reclassifications to performing forborne exposures	–	X
C.3 Reclassifications to non-performing forborne exposures	X	47
C.4 Write-offs	–	–
C.5 Repayments received	91	784
C.6 Gains on disposals	–	–
C.7 Losses on disposals	–	–
C.8 Other decreases	94	–
D. Gross exposure at year-end	1,183	7,091
– of which: exposures transferred but not written off	–	–

Forborne exposures

Gross forborne exposure, amounting to 8,274 thousand euros, consisted largely of performing positions totalling 7,091 thousand euros gross (accounting for 86% of total forborne exposures), almost all of which were supported by collateral or similar guarantees, for which the 3,799 thousand euro increase on 2024 (from 4,686 thousand euros) was attributable to: i) new reclassifications for 684 thousand euros relating to performing positions that were granted a forbearance measure (new financing or refinancing of existing debt); ii) reclassifications from non-performing forborne exposures (end of cure period) for 52 thousand euros; and iii) increases of 3,063 thousand euros for amounts charged to performing positions already classified as forborne.

Decreases amounted to 1,394 thousand euros and were attributable to: positions reclassified to performing non-forborne exposures for 563 thousand euros for which the probation period elapsed, positions reclassified to non-performing forborne exposures for 47 thousand euros, and collections of 784 thousand euros referring to repayment and write-off of forborne exposures.

The residual amount consisted of non-performing forborne exposures totalling 1,183 thousand euros gross (accounting for 14% of total forborne exposures).

The non-performing cash forborne positions aggregate grew by 451 thousand euros overall (in gross terms), as a result of:

- › increases of 636 thousand euros due to: new reclassifications from performing non-forborne exposures for 535 thousand euros, new reclassifications from performing forborne exposures for 47 thousand euros, new reclassifications from non-performing forborne exposures for 24 thousand euros and amounts charged for 30 thousand euros;
- › decreases of 185 thousand euros primarily consisting of reclassifications to performing status of 94 thousand euros and collections of 91 thousand euros.

1.1.9 Prudential consolidation: non-performing cash credit exposures with customers: changes in total adjustments

CAUSES/CATEGORIES	BAD LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST-DUE EXPOSURES	
	TOTAL	OF WHICH: FORBORNE EXPOSURES	TOTAL	OF WHICH: FORBORNE EXPOSURES	TOTAL	OF WHICH: FORBORNE EXPOSURES
A. Total adjustments at year-start	14,188	-	1,481	251	5,914	35
– of which: exposures transferred but not written off	-	-	-	-	-	-
B. Increases	2,688	-	629	59	2,892	107
B.1 Adjustments to purchased or originated credit-impaired financial assets	-	X	-	X	-	X
B.2 Other adjustments	938	-	563	59	2,830	107
B.3 Losses on disposals	3	-	-	-	33	-
B.4 Transfers from other categories of non-performing exposures	1,747	-	66	-	-	-
B.5 Contractual changes without cancellations	-	X	-	X	-	X
B.6 Other increases	-	-	-	-	29	-
C. Decreases	1,490	-	393	87	3,297	5
C.1 Reversals of adjustments	11	-	262	69	133	5
C.2 Reversals of collections	158	-	126	18	672	-
C.3 Gains on disposals	-	-	-	-	-	-
C.4 Write-offs	43	-	1	-	168	-
C.5 Transfers to other categories of non-performing exposures	-	-	-	-	1,813	-
C.6 Contractual changes without cancellations	-	X	-	X	-	X
C.7 Other decreases	1,278	-	4	-	511	-
D. Total adjustments at year-end	15,386	-	1,717	223	5,509	137
– of which: exposures transferred but not written off	-	-	-	-	-	-

The exposures in the previous tables include non-performing positions for a net amount of 2,966 thousand euros, attributable to operating receivables not involving lending transactions, mostly relating to disputes and pre-dispute positions against former Financial Advisors (terminated or expired contracts).

31.12.2025			
OPERATING RECEIVABLES UNDER DISPUTE	GROSS	WRITE-DOWNS	NET
Receivables related to FA litigation	4,378	1,412	2,966
Advances to FAs	79	79	-
Write-downs of receivables from FAs	4,457	1,491	2,966
Write-downs of operating receivables	23	23	-
Write-downs of operating receivables	23	23	-
Total write-downs	4,480	1,514	2,966

A.2 Classification of exposures based on internal and external ratings

Banca Generali has always regarded lending as ancillary to its ability to attract and manage its customers' assets. Accordingly, the Bank has not traditionally used an internal rating system to assess its customers' creditworthiness. The Bank therefore largely uses external ratings published by the main rating companies (Moody's, S&P and Fitch) in making portfolio decisions regarding its trading activities.

A.2.1 Prudential consolidation - Breakdown of financial assets, commitments to disburse funds and financial guarantees issued by external rating classes (gross values)

EXPOSURES	EXTERNAL RATING CLASSES						WITHOUT RATING	TOTAL
	AAA/AA-	A+/A-	BBB+/BBB-	BB+/BB-	B+/B-	< B-		
A. Financial assets measured at amortised cost	2,642,704	1,855,712	4,118,621	67,462	-	-	3,857,416	12,541,915
- Stage 1	2,642,704	1,855,712	4,118,621	67,462	-	-	3,600,209	12,284,708
- Stage 2	-	-	-	-	-	-	196,310	196,310
- Stage 3	-	-	-	-	-	-	39,913	39,913
- Purchased or originated credit-impaired	-	-	-	-	-	-	20,984	20,984
B. Financial assets measured at fair value through other comprehensive income	173,887	1,185,639	2,163,026	-	-	-	-	3,522,552
- Stage 1	173,887	1,185,639	2,163,026	-	-	-	-	3,522,552
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
C. HFS financial assets								
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
Total (A + B + C)	2,816,591	3,041,351	6,281,647	67,462	-	-	3,857,416	16,064,467
D. Commitments to disburse funds and financial guarantees issued							128,831	128,831
- Stage 1	-	-	-	-	-	-	89,223	89,223
- Stage 2	-	-	-	-	-	-	6,933	6,933
- Stage 3	-	-	-	-	-	-	38	38
- Purchased or originated credit-impaired	-	-	-	-	-	-	32,637	32,637
Total D	-	-	-	-	-	-	128,831	128,831
Total (A + B + C + D)	2,816,591	3,041,351	6,281,647	67,462	-	-	3,986,247	16,193,298

Financial assets measured at amortised cost without rating include trade receivables and advances to Financial Advisors totaling 247,985 thousand euros.

A.3 Breakdown of guaranteed credit exposures by type of guarantee

A.3.1 Prudential consolidation - Guaranteed cash and off-balance sheet credit exposures with banks

	EXPOSURE		COLLATERALISED GUARANTEES (1)				PERSONAL GUARANTEES (2)								TOTAL (1) + (2)	
							CREDIT DERIVATIVES				SIGNATURE LOANS					
	GROSS	NETT	BUILDINGS – MORT- GAGES	BFL	SECURITIES	OTHER COLLAT- ERALISED GUARAN- TEES	CLNS	OTHER DERIVATIVES				GENERAL GOVERN- MENTS	BK	OTHER FINAN- CIAL CORP.		OTHER ENTI- TIES
CC								BK	OTHER FINAN- CIAL CORP.	OTHER ENTI- TIES						
1. Guaranteed cash credit exposures	576,082	575,964	-	-	487,063	-	-	-	-	-	-	88,487	-	-	-	575,550
1.1 Totally guaranteed	576,082	575,964	-	-	487,063	-	-	-	-	-	-	88,487	-	-	-	575,550
- of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Partially guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Totally guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Partially guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Legend:

BFL: Buildings - Finance leases

CC: Central counterparties

BK: Banks

A.3.2 Prudential consolidation - Guaranteed cash and off-balance sheet credit exposures with customers

	EXPOSURE		COLLATERALISED GUARANTEES (1)				PERSONAL GUARANTEES (2)									TOTAL (1) + (2)
							CREDIT DERIVATIVES					SIGNATURE LOANS				
	GROSS	NETT	BUILDINGS - MORT- GAGES	BFL	SECURITIES	OTHER COLLAT- ERALISED GUARAN- TEES	CLNS	OTHER DERIVATIVES			GENERAL GOVERN- MENTS	BK	OTHER FINAN- CIAL CORP.	OTHER ENTI- TIES		
CC								BK	OTHER FINAN- CIAL CORP.	OTHER ENTI- TIES						
1. Guaranteed cash credit exposures	2,458,058	2,443,545	237,713	-	1,833,276	345,508	-	-	-	-	-	19,233	-	51	1,003	2,436,784
1.1 Totally guaranteed	2,430,220	2,416,626	236,661	-	1,817,612	342,211	-	-	-	-	-	19,233	-	49	673	2,416,439
- of which: non-performing	23,222	11,400	4,427	-	2,157	3,280	-	-	-	-	-	1,521	-	-	15	11,400
1.2 Partially guaranteed	27,838	26,919	1,052	-	15,664	3,297	-	-	-	-	-	-	-	2	330	20,345
- of which: non-performing	2,036	1,138	237	-	464	241	-	-	-	-	-	-	-	-	-	942
2. Guaranteed off-balance sheet credit exposures	1,254,489	1,254,394	75	-	1,002,215	239,380	-	-	-	-	-	-	-	10	635	1,242,315
2.1 Totally guaranteed	1,217,402	1,217,309	75	-	983,154	233,092	-	-	-	-	-	-	-	10	580	1,216,911
- of which: non-performing	282	264	-	-	259	5	-	-	-	-	-	-	-	-	-	264
2.2 Partially guaranteed	37,087	37,085	-	-	19,061	6,288	-	-	-	-	-	-	-	-	55	25,404
- of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Legend:

BFL: Buildings Finance leases

CC: Central counterparties

BK: Banks

All assets held as guarantee (whether financial or non-financial) may only be liquidated in the event of default by the primary debtor, subject to formal notification to the guarantor. Accordingly, the Bank cannot sell or reuse as guarantee such assets unless the debtor defaults.

B. Breakdown and concentration of credit exposures

B.1 Prudential consolidation - Sector breakdown of cash and off-balance sheet credit exposures with customers

EXPOSURES/COUNTERPARTY	NET EXPOSURE	TOTAL ADJUSTMENTS
A. Cash exposures		
1. General governments	9,656,952	1,076
A.1 Bad loans	-	-
- of which: forborne exposures	-	-
A.2 Unlikely to pay	-	-
- of which: forborne exposures	-	-
A.3 Non-performing past-due exposures	-	2
- of which: forborne exposures	-	-
A.4 Performing exposures	9,656,952	1,074
- of which: forborne exposures	-	-
2. Financial corporations	578,164	2,026
A.1 Bad loans	22,781	748
- of which: forborne exposures	-	-
A.2 Unlikely to pay	201	334
- of which: forborne exposures	-	-
A.3 Non-performing past-due exposures	769	479
- of which: forborne exposures	-	-
A.4 Performing exposures	554,413	465
- of which: forborne exposures	2,829	23
3. Financial corporations (of which insurance companies)	41,116	-
A.1 Bad loans	-	-
- of which: forborne exposures	-	-
A.2 Unlikely to pay	-	-
- of which: forborne exposures	-	-
A.3 Non-performing past-due exposures	-	-
- of which: forborne exposures	-	-
A.4 Performing exposures	41,116	-
- of which: forborne exposures	-	-
4. Non-financial corporations	342,253	14,979
A.1 Bad loans	3,061	12,516
- of which: forborne exposures	-	-
A.2 Unlikely to pay	544	331
- of which: forborne exposures	191	6
A.3 Non-performing past-due exposures	2,259	1,422
- of which: forborne exposures	426	55
A.4 Performing exposures	336,389	710
- of which: forborne exposures	893	3
5. Households	2,171,807	7,829
A.1 Bad loans	3,571	2,122
- of which: forborne exposures	-	-
A.2 Unlikely to pay	537	1,052
- of which: forborne exposures	147	216
A.3 Non-performing past-due exposures	4,765	3,606
- of which: forborne exposures	60	82
A.4 Performing exposures	2,162,934	1,049
- of which: forborne exposures	3,330	12
Total A – Cash exposures	12,749,176	25,910

EXPOSURES/COUNTERPARTY	NET EXPOSURE	TOTAL ADJUSTMENTS
B. Off-balance sheet exposures		
1. General governments	2,295	-
B.1 Non-performing exposures	-	-
B.2 Performing exposures	2,295	-
2. Financial corporations	127,098	26,102
B.1 Non-performing exposures	7,071	26,093
B.2 Performing exposures	120,027	9
3. Financial corporations (of which insurance companies)	-	-
B.1 Non-performing exposures	-	-
B.2 Performing exposures	-	-
4. Non-financial corporations	286,894	49
B.1 Non-performing exposures	21	17
B.2 Performing exposures	286,873	32
5. Households	1,033,357	42
B.1 Non-performing exposures	312	2
B.2 Performing exposures	1,033,045	40
Total B – Off-balance sheet exposures	1,449,644	26,193
	NET EXPOSURE	TOTAL ADJUSTMENTS
General governments	9,659,247	1,076
Financial corporations	705,262	28,128
Financial corporations (of which insurance companies)	41,116	-
Non-financial corporations	629,147	15,028
Households	3,205,164	7,871
Overall total (A + B) at 31.12.2025	14,198,820	52,103
Overall total (A + B) at 31.12.2024	12,642,277	37,171

B.2 Prudential consolidation - Geographical breakdown of cash and off-balance-sheet credit exposures with customers

EXPOSURES/ GEOGRAPHICAL AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS	NET EXPO- SURE	TOTAL VALUE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS
A. Cash credit exposures										
A.1 Bad loans	8,429	14,603	20,984	783	-	-	-	-	-	-
A.2 Unlikely to pay	1,283	1,717	-	-	-	-	-	-	-	-
A.3 Non-performing past-due exposures	7,207	5,455	48	53	128	-	-	-	411	-
A.4 Other performing exposures	8,429,360	2,486	3,237,357	674	64,646	19	31,717	4	947,608	116
Total A	8,446,279	24,261	3,258,389	1,510	64,774	19	31,717	4	948,019	116
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	389	19	7,015	26,093	-	-	-	-	-	-
B.2 Performing exposures	1,426,247	80	11,964	-	1,013	-	793	-	621	-
Total B	1,426,636	99	18,979	26,093	1,013	-	793	-	621	-
Total at 31.12.2025	9,872,915	24,360	3,277,368	27,603	65,787	19	32,510	4	948,640	116
Total at 31.12.2024	9,212,726	22,637	920,959	14,126	57,785	32	48,190	7	2,400,251	369

B.3 Prudential consolidation - Geographical breakdown of cash and off-balance-sheet credit exposures with banks

EXPOSURES/ GEOGRAPHICAL AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE ADJUST- MENTS
A. Cash exposures										
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
A.3 Non-performing past-due exposures	-	-	-	-	-	-	-	-	-	-
A.4 Other performing exposures	1,162,571	222	2,377,833	764	7,925	10	-	-	212,321	45
Total A	1,162,571	222	2,377,833	764	7,925	10	-	-	212,321	45
B. Off-balance sheet exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	149,073	-	3,800	-	-	-	-	-	-	-
Total B	149,073	-	3,800	-	-	-	-	-	-	-
Total at 31.12.2025	1,311,644	222	2,381,633	764	7,925	10	-	-	212,321	45
Total at 31.12.2024	1,762,825	392	2,027,896	688	110,420	2	1,075	-	21,952	27

B.4 Large exposures

Regulation (EU) No. 575/2013 (CRR) and Directive No. 2013/36/EU (CRD IV), published on the *Official Journal* of the European Union on 27 June 2013, enacted the rules defined by the Basel Committee on banking supervision governing “Large Exposures”. On 17 December 2013, the Bank of Italy subsequently implemented such provisions by issuing Circular No. 285 “New Prudential Supervisory Provisions Concerning Banks” — updated several times over the years (latest update No. 50 dated 26 August 2025) — and Circular No. 286 “Instructions for the Compilation of Prudential Reports for Banks and Securities Brokerage Companies”, which was also updated on multiple occasions (latest update No. 18 date 3 December 2025).

According to the aforementioned rules, the exposure of a bank to a counterparty or to a group of connected counterparties must be defined as a “large exposure” if its value is equal to or above 10% of the bank’s Tier 1 capital.

Pursuant to CRR 575/2013, “Tier 1 capital” is defined as the sum of Total Common Equity Tier 1 (CET 1) capital and Additional Tier 1 (AT1) capital of the entity.

For the purpose of identifying large exposures, the exposure is measured at its carrying amount and not at its risk-weighted amount. Therefore, the positions that meet the definition are recognised both at their carrying amount and risk-weighted amount.

BIG RISKS	31.12.2025	31.12.2024
a) Amount of the exposure	13,458,064	11,722,317
b) Weighted amount	554,043	528,142
c) Number	14	17

C. Securitisation

Qualitative information

Banca Generali's appetite for investments in securitised instruments is very limited (the exposure is 0.50% of the total banking book bond portfolio). All investments undertaken were directed towards the most senior tranches of the securitised structures.

Quantitative information

C.2 Prudential consolidation - Breakdown of exposures resulting from main third-party securitisations by type of securitised assets and type of exposure

TYPE OF UNDERLYING ASSETS/EXPOSURES	CASH EXPOSURES						FINANCIAL GUARANTEES ISSUED						LINES OF CREDIT					
	SENIOR		MEZZANINE		JUNIOR		SENIOR		MEZZANINE		JUNIOR		SENIOR		MEZZANINE		JUNIOR	
	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR
GIM NL LUX 12/06/18	20,116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRADO VIII FRN 2055	1,879	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRISMA SPV FRN 2039	8,971	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LANTERNA M FRN 2065	3,797	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CORDATUS VIII FRN 34	7,543	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EURO-GAL VII FRN 35	7,537	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AQUEDUCT EUROPEAN CL	6,211	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INVESCO VI FRN 2035	7,542	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Legend

BV = book value

AR = Adjustments/Reversals

D. Transfers

D.1 Prudential consolidation - Transferred financial assets fully recognised and related financial liabilities: book value

	TRANSFERRED FINANCIAL ASSETS FULLY RECOGNISED				RELATED FINANCIAL LIABILITIES		
	BOOK VALUE	OF WHICH: SECURITISED	OF WHICH: REVERSE REPURCHASE AGREEMENTS	OF WHICH: NON-PERFORMING	BOOK VALUE	OF WHICH: SECURITISED	OF WHICH: REVERSE REPURCHASE AGREEMENTS
A. HFT financial assets	20,807	-	20,807	X	20,188	-	20,188
1. Debt securities	-	-	-	X	-	-	-
2. Equity securities	20,807	-	20,807	X	20,188	-	20,188
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	790,816	-	790,816	-	791,137	-	791,137
1. Debt securities	790,816	-	790,816	-	791,137	-	791,137
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	711,882	-	711,882	-	731,412	-	731,412
1. Debt securities	711,882	-	711,882	-	731,412	-	731,412
2. Loans	-	-	-	-	-	-	-
Total at 31.12.2025	1,523,505	-	1,523,505	-	1,542,737	-	1,542,737
Total at 31.12.2024	1,053,420	-	1,053,420	-	1,051,453	-	1,051,453

C. Prudential consolidation - Transferred financial assets fully derecognised

In accordance with the Bank of Italy Communication of 23 December 2019, this section contains information regarding the restructuring of a portfolio of senior notes issued by SPVs in the securitisation of healthcare receivables by Banca Generali in 2021 as it is considered to constitute a transfer of a loan portfolio to a mutual investment fund with concurrent subscription of the units by the transferring intermediary.

The healthcare receivable restructuring operation

In 2021, Banca Generali had performed an extensive restructuring of a portfolio of senior notes issued by an SPV of securitised healthcare receivables, with a notional value of 478.5 million euros, held by its professional customers. In particular, the restructuring of the portfolio entailed the following:

1. the purchase of the securitised senior notes from the customers for an amount of 457.6 million euros¹²⁻¹³;
2. the simultaneous sale of the notes thus purchased to a newly formed Italian fund (AIF), the "Forward Fund", managed by Gardant Investor SGR, for 377.7 million euros, with the Bank recognising a trading loss of 79.9 million euros, accounting for approximately 79% of the principal amount outstanding of these notes;
3. the subscription by the Bank of the majority of the shares of the above Fund, with a 98% stake, equal to 490 million euros (A shares), of which 378 million euros already paid at the time of purchase of the notes, whereas the remaining 10 million euros (B shares) were subscribed by Gardant S.p.A., the parent company of the management firm that promoted the formation and assumed full, independent management of the fund.

¹² In particular, Banca Generali promoted a purchase offer addressed to all interested customers in reference to the full outstanding amount of the senior notes relating to the Astrea Due, Astrea Tre, Astrea Quattro, Chiron Due and Argo securitisations for a consideration of 95% of the principal amount outstanding (97.5% for Argo).

¹³ The total outstanding amount of the securitisations amounted to 542 million euros, inclusive of mezzanine notes not distributed to the Bank's customers and junior notes held by the arranger of the transaction.

The strategic goal of the restructuring was thus essentially to protect customers against a potential loss on the investments concerned by transferring the aforementioned notes to a specialised, independent professional operator with specific expertise in managing illiquid portfolios and the servicing of securitisations, capable of optimising the process of recovering the cash flows generated by the notes by restructuring their maturities and ensuring better management of the repayment of the underlying receivables and concurrent reinvestment of the proceeds of such payments.

The securitisations subject to transfer did not refer to underlying transactions originated by Banca Generali and had not been previously held by the Bank. Rather, the Bank only acquired title to them on an entirely temporary basis at the time of the twofold transfer.

In fact, the Bank acted only as Placement Agent in these securitisation transactions, but it has nonetheless decided to undertake the restructuring operation to protect its customers and strengthen its trust-based relationship with them.

The portfolio of transferred receivables

At the end of 2021, the assets underlying the securitisations had amounted to 595.1 million euros and had included 509.1 million euro healthcare receivables from local healthcare authorities, with a residual share consisting of receivables from the Italian general government (e.g., municipalities, regions, ministries, etc.) and 86.0 million euro cash balance.

In particular, exposures to healthcare companies also included types of receivables with a high risk profile, such as “out-of-budget” healthcare receivables (268 million euros) and late payment interest from past-due healthcare receivables (162.5 million euros, of which 62.0 million euros transferred without the originating receivables).

Most of the receivables underlying the securitisations could therefore be deemed to be non-performing as overdrawn or under dispute, with the exception of the liquidity and a minor revolving loans component.

At 31 December 2025, the nominal value of healthcare receivables within the Forward Fund amounted to about 397.2 million euros, of which 271.2 million euros are expected to be collected, compared to 298.8 million at year-end 2024, divided into receivables from General governments of 159 million euros and receivables from transferors¹⁴ of 112.2 million euros.

In 2025, repayments collected on the loans portfolio amounted to approximately 7.1 million euros.

The portfolio fair value was 230.9 million euros (246.1 million euros at the end of 2024).

The Forward Fund

The Forward Fund is a reserved, closed-end Italian alternative investment fund (AIF), formed by Gardant Investor SGR S.p.A. following the authorisation received on 2 August 2021.

In accordance with the Fund Regulation, approved by the related Board of Directors on 10 September 2021, two classes of units were issued that grant their holders different economic and governance prerogatives:

- 490 class A units, subscribed by Banca Generali, in the total amount of 490 million euros, of which 378 million euros paid in cash upon the purchase of the senior notes by the Fund¹⁵, and the remaining 112 million euros called in 2022 and aimed at constructing an alternative investment portfolio¹⁶;
- 10 class B units, subscribed by Gardant S.p.A., the parent company of the asset management company, in the total amount of 10 million euros.

The A and B units enjoy the same **economic rights**, except for the right of the B investor to an increase in the accrued income, by way of incentive, of 15% of the fund's return in excess of 3%, with effect from the fifth year and solely on the investments undertaken directly by the management company.

With reference to the **governance**, the Fund Rules provide that within the framework of the guidelines established, all powers relating to relevant decisions regarding management of the fund be irrevocably transferred to the management company, which may therefore operate in full autonomy, reserving only rights of a protective nature for the Bank, as the A investor.

Gardant Investor SGR is therefore granted full powers and authority in relation to the Fund's affairs and is responsible for the functions of management and control of the Fund's activities, in accordance with the terms and conditions set out in the Rules.

In particular, the management company may carry out all acts and enter into and perform all contracts and other undertakings that it deems necessary and has full power and discretion to exercise, in the name and on the account of the Fund, all rights and powers necessary or appropriate to achieving its purpose, including the right to bring civil suits connected to title to the Senior Notes.

The management company's Board of Directors, which does not include any representatives appointed by Banca Generali, is responsible for implementing the investment policy.

¹⁴ These are off- or out-of-budget receivables, default interest not recognised by local health authorities that at the end of the debt acknowledgement process with negative outcome will need to be recovered from the transferors. Net of the longer recovery times, according to the inquiries made the transferors are all operational, solvent “entitled entities” with dealings with the General Government.

¹⁵ The Fund's units were subscribed on 30 September 2021. On 1 October 2021, the management company then drew down its commitments for the subscription of the first 378 of the 490 units subscribed by Banca Generali with settlement date on 7 October 2021.

¹⁶ In particular, consideration for the remaining units subscribed were paid up for 17 million euros with value date on 30 March 2022, and for 95 million euros with value date on 5 December 2022.

As a result, having concluded that the Bank's rights are protective in nature, and not being it possible to attribute to the Bank the rights borne by the management company as irrevocably transferred to the latter and not merely delegated, it is believed that Banca Generali does not have the power and, therefore, despite the presence of a significant exposure to the fund's variability, does not exercise control over the Fund.

The fund, which has an initial duration of 15 years¹⁷, pursues the twofold goal of:

- › optimising the process of recovering the cash flows generated by the receivables, through the restructuring of maturities and better management of repayment of the underlying receivables and concurrent reinvestment of their proceeds;
- › managing a complex portfolio of alternative investments, also including infrastructure and corporate lending investments¹⁸, up to a maximum investment of 550 million euros, in order to achieve an expected total return of between 2% and 4% over the life of the Fund.

At the end of 2025, the Fund's net assets amounted to 489.2 million euros and consisted of four classes of assets:

- › healthcare receivables underlying the securitisation vehicles, with a recoverable amount of 271.2 million euros and a fair value of 230.9 million euros;
- › investments in units of infrastructure funds with a fair value of 80.8 million euros;
- › corporate lending of 108.9 million euros; and
- › total cash of 68.6 million euros, of which 56.8 million euros invested in short-term European government bonds.

In view of the current macroeconomic scenario of severe economic and geopolitical uncertainty, the investment continues to be subject to possible revaluation effects due to the increase in interest rates and the ability of the asset management company to recover cash flows from the underlying healthcare receivables, according to the times and amounts (recovery rate) envisaged by the business plan.

With regard to the estimated FV of the notes with underlying healthcare receivables, a DCF model was applied on the basis of the flows estimated by the special servicer/the management company, discounted in light of their risk profile, at an average rate of approximately 5.2% (5.5% in 2024).

In light of the nature of the instrument, i.e., units of a closed-ended, unlisted (illiquid) mutual fund, and the mark-to-model valuation approach for determining fair value (FV), based on inputs that are not fully observable, it was assigned to Level 3 of the FV hierarchy.

Accordingly, a **sensitivity analysis** was conducted exclusively on healthcare receivables, assuming a change in the discount rate of +100 bps and a change in the collection of underlying receivables of -5%.

The analysis identified a decline of approximately 7 million euros in relation to the increase in discount rates (+100 bps) and a decrease of approximately 11.3 million euros in relation to a lower recovery of receivables (-5%).

At 31 December 2025, the fair value of the investment in the Forward Fund (490 of 500 total units) was estimated at 479.4 million euros (-6.3 million euros compared to the end of 2024), with a cumulative capital loss that therefore rose to 10.6 million compared to 4.2 million euros recognised at the end of 2024.

1.2 Market risks

Market risk is represented by the possibility to suffer losses due to variations in the value of a financial instrument or a portfolio of financial instruments associated with unexpected variations in market conditions (share prices, interest rates, exchange rates, the prices of goods and the volatility of risk factors).

The Group monitors market risks with reference both to the banking book and the trading book. Specifically, in order to monitor this risk, the Chief Risk Office applies the regulatory method to the trading book, whilst as regards the interest rate risk of the banking book the Bank has adopted an IMS (Internal Measurement System) through full evaluation of all banking book items.

With regard to market risk management, the Bank has formally defined a Financial Portfolio Risk Management Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines on its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

¹⁷ The Fund has an overall duration of 15 years, subject to extension by a maximum of two years, with a first investment period with a duration of 8 years and a management and collection period of 7 years.

¹⁸ In particular, the Fund's investment policy calls for the cash flows from the repayment of the senior notes and the additional share of 120 million euros of the commitments entered into by the subscribers to be invested in:

- i) fundamental infrastructure funds and networks; and
- ii) lending activities to:
 - a) corporate lending with a focus on secured lending to Italian companies with adequate guarantees of cash generation not reclassified as non-performing and, possibly,
 - b) performing senior real estate lending with adequate guarantees (i.e., first-degree mortgage with advance level of up to 60% of the market value of the asset).

The CFO & Strategy department supervises and coordinates the individual financial portfolios (where present) of each Subsidiary, providing the guidelines and management framework that define the scope within which Subsidiaries operate, while maintaining their managing autonomy (as defined in the Finance Regulation).

For first-line activities, monitoring and control of market risks of the financial portfolio are carried out by the Finance department, which is responsible for portfolio management in compliance with the RAF limits and the operating limits and for supervising credit facilities of institutional counterparties (further details on the Regulation on Limits and Escalation Process).

The Chief Risk Office carries out second-line monitoring of the financial portfolio of the Bank and the Group. The Subsidiaries' Risk Management functions, where present, are responsible for second-line monitoring at local level.

The Chief Audit Office conducts independent controls (third-line controls) on transactions undertaken by the functions involved in the management of market risk in accordance with the Parent Company's Internal Rules.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the market risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

The Group's banking book is mainly invested in government securities, securities issued by domestic and international banks and, to only a lesser extent, in securities of corporate issuers and ABSs. With a view to further strengthening the management and monitoring of the credit risk profile, the Bank has adopted a portfolio management policy that, in addition to the above-mentioned credit lines, provides, inter alia, for certain minimum and maximum investment limits on specific geographical-industry and rating clusters and minimum thresholds for investments in government securities or securities with a high credit standing. This framework also sets specific maximum maturity limits for investments in the proprietary bond portfolio and strict limitations on exposures to complex instruments or hard-to-value assets. In addition, to complement its market risk analyses, the Bank performs scenario analyses by both exploiting the macroeconomic forecasts published by institutions and research centres and drawing on internal calculations and management tools.

The Group uses derivatives for hedge accounting purposes (e.g., Interest Rate Swaps), both in order to safeguard the banking book against adverse changes in the fair value of loans and interest margin caused by movements in rate curves, and to contain duration levels in view of changing trends in the proprietary portfolio.

The exposure to market risk of Banca Generali Group's trading book has always been negligible. The integration of Intermonte SIM — in light of the activities currently implemented and the development of new business lines — has generated, and will generate, an increase in the Group's exposure to market risk.

Intermonte SIM's contribution to market risk is mainly attributable to the position risk of its trading book, linked to transactions on own account and market making activities, as well as to OTC derivatives transactions. The year 2025 also saw the launch of the structuring of complex derivatives, with the ensuing modest increase in the portfolio risk profile, monitored in accordance with the framework of limits and the system of delegated powers.

The Parent Company's trading book maintained a negligible risk profile, also following the role of co-dealer bank in the issuance of Italian government securities (bond market-making) planned as of the first quarter of 2026 and governed by a framework of limits laid down in the Regulation on Limits and Escalation Process.

The Group's exposure to the equity market remains modest.

The Group has a low risk appetite for foreign exchange risk. Transactions in foreign currencies are currently residual and constantly covered by appropriate hedging positions, in addition to be monitored on an ongoing basis for compliance with the operating limit set forth by the Regulation on Limits and Escalation Process. As regards this type of risk, BG Suisse manages its banking book and positions in Swiss francs with a risk appetite for foreign exchange risk in line with that of the Parent Company. Intermonte SIM's foreign exchange risk is modest and mainly arises from trading activities on foreign regulated markets, which require maintaining minimum balances in foreign currency current accounts, and to a lower extent, from activities regarding its investment portfolio. To cover such exposures, Intermonte SIM uses currency futures or simultaneous foreign exchange spot transactions, always within the limits set by internal normative documents.

1.2.1 Interest rate and price risk – Regulatory trading book

Qualitative information

A. General aspects

The exposure of the trading book arises mainly from the activities currently implemented by Intermonte SIM. The trading book of the Parent Company is negligible.

B. Management processes and interest rate and price risk measurement techniques

As regards the SIM firm's trading books, market risk management and monitoring are primarily entrusted to the Subsidiary's Risk Management Function, as part of the "Portfolio Risk Management" internal procedure that governs the limits and operating processes of transactions on own account. Measurement is based on indicators that consider the portfolio composition and on the estimate of the maximum potential loss (VaR), calculated over a daily time horizon and at a 99% confidence level. With regard to price risk, exposures in equity and index derivatives are managed through delta-hedging strategies, with daily monitoring of the main Greeks (in particular gamma, vega and rho). Given the Parent Company's bond market making activities envisaged in

the Plan, a specific framework has been laid down for managing and measuring market risks, formalised in the Regulation on Limits and Escalation Process and in the Financial Portfolio Risk Management Policy. Market risk is also monitored by the Parent Company at consolidated level through specific RAF indicators applicable to the entire consolidation scope.

The model adopted by the Chief Risk Office to conduct the sensitivity analysis shown in the following table is based on the Fundamental Review of Trading Book rules:

- › on interest-rate risk: the possibility of calculating sensitivity according to a full-evaluation approach, based on shocks to the base risk-free curve in foreign currency;
- › on country risk: the possibility of calculating sensitivity according to a full-evaluation approach, based on shocks to loan/sector curves.

The sensitivities of the two components described above are calculated as a parallel shock of +100 bps on all nodes of the curve, with regard to both the interest-rate risk and country risk portions.

The following table shows the interest-rate risk sensitivity of the Group's overall trading book (HTS portfolio) at 31 December 2025:

(€ THOUSAND)	HTS
Interest-rate risk sensitivity	-446

Quantitative information

1. Regulatory trading book: breakdown by time-to-maturity (repricing date) of cash financial assets and liabilities and financial derivatives

TYPE/TIME-TO-MATURITY	DEMAND	UP TO 3 MONTHS	OVER 3 MONTHS, UP TO 6 MONTHS	OVER 6 MONTHS, UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS, UP TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Cash assets	-	3,049	19,915	-	66,135	256	1,411	-
1.1 Debt securities	-	3,049	19,915	-	66,135	256	1,411	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	3,049	19,915	-	66,135	256	1,411	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. Cash liabilities	-	-	-	-	68,384	-	1,339	-
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	68,384	-	1,339	-
3. Financial derivatives	312,264	276,547	228,516	52,170	259,165	-	-	-
3.1 With underlying security	-	131,702	209,833	18,214	21,042	-	-	-
- Options	-	83,337	209,632	18,214	9,042	-	-	-
+ long positions	-	41,334	105,196	10,393	3,189	-	-	-
+ short positions	-	42,003	104,436	7,821	5,853	-	-	-
- Other derivatives	-	48,365	201	-	12,000	-	-	-
+ long positions	-	18,283	-	-	12,000	-	-	-
+ short positions	-	30,082	201	-	-	-	-	-
3.2 Without underlying security	312,264	144,845	18,683	33,956	238,123	-	-	-
- Options	307,823	38,879	18,683	12,423	237,839	-	-	-
+ long positions	143,514	19,172	10,271	4,681	130,186	-	-	-
+ short positions	164,309	19,707	8,412	7,742	107,653	-	-	-
- Other derivatives	4,441	105,966	-	21,533	284	-	-	-
+ long positions	2,023	52,657	-	11,159	284	-	-	-
+ short positions	2,418	53,309	-	10,374	-	-	-	-

2. Regulatory trading book: breakdown of exposures in equity securities and stock indices by main countries on the market of listing

Price risk consists of the risk that the fair value or future cash flows of a given financial instrument may fluctuate as a result of changes in market prices (other than changes triggered by **interest-rate risk** or **exchange-rate risk**), regardless of whether such changes are the result of factors specific to the instrument or issuer in question, or are due to factors that influence all similar financial instruments traded on the market.

Price risk arises mainly as a result of the trading of equity instruments such as shares, stock-index and/or stock futures, stock-index and/or stock options, warrants, covered warrants, option rights, etc. and in relation to UCITS units held in the portfolio. However, the Group's exposure to this risk is negligible given the limited weight of such securities in its portfolio of HFT financial assets.

TYPE OF TRANSACTION/INDEX	LISTED				NOT LISTED
	ITALY	USA	GERMANY	OTHER	
A. Equity securities					
- long positions	20,800	-	21	12,643	1
- short positions	17,621	-	-	-	-
B. Equity security purchases/sales to be settled	-	-	-	-	-
- long positions	-	-	-	-	-
- short positions	-	-	-	-	-
C. Other derivatives on equity securities		-	-	-	-
- long positions	95,129	-	-	-	-
- short positions	198,200	-	-	-	-
D. Stock-index derivatives		-	-	-	-
- long positions	34,670	-	-	-	-
- short positions	38,245	-	-	-	-

3. Regulatory trading book: internal models and other methods of sensitivity analysis

Sensitivity analysis was also employed to assess the market risks originating in the trading book.

This sort of analysis quantifies the change in the value of a financial portfolio as a result of variation in the primarily risk factors, which for Banca Generali Group are interest-rate and price risk.

In calculating interest-rate risk, the analysis assumed a parallel, uniform shift of +100/-100 basis points in the rate curve.

The next stage involves establishing the potential effects on the profit and loss account both in terms of the actual change in the fair value of the portfolio under analysis at the reporting date and the change in the net interest income for the current year.

In calculating the price risk associated with equities, a 10% change in market prices was considered. On this basis, the actual impact of such a change on the current equities portfolio was then determined.

On the whole, a change in market prices of +10%/-10% would result in the recognition through profit or nearly no capital gains/losses on the trading book, consisting mainly of equity securities.

A change in interest rates of +100/-100 basis points would also have an overall zero effect on the fair value of the debt securities trading book.

(€ THOUSAND)	HTS
FV equity delta (+10%)	49
FV equity delta (-10%)	559
FV bonds delta (+1%)	-396
FV bonds delta (-1%)	+396

1.2.2 Interest rate and price risk – Banking book

Qualitative information

A. General aspects and interest rate and price risk management processes and measurement techniques

The interest rate risk to which the banking book is exposed consists of the risk of incurring losses due to potential fluctuations in interest rates.

This risk is generated by the gaps between the maturities and time required to reset the interest rate on the Bank's assets and liabilities. Where such gaps are present, fluctuations in interest rates result in variations of net income, and therefore projected profit, as well as variations in the market value of the assets and liabilities, and, in turn, the value of net equity.

With regard to the management of the interest rate risk of the banking book, the Bank has formally defined a Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines on its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The Finance function and the Credit function conduct first-line controls on the management of interest rate risk.

The Chief Risk Office is responsible for second-line controls with the aim of conducting specific independent measurement, control and monitoring of the interest rate risk to which the banking book is exposed. It is also responsible for updating the models and metrics, including on the basis of analyses of legal requirements, market best practices and the contributions of the business functions involved (and the Finance Department in particular).

The Chief Audit Office is responsible for third-line controls on lending and funding activities.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the management and control system for interest rate risk in the banking book and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

During the year, the Bank monitored its interest rate risk profile by applying its control framework, checking the exposure against the limits approved by the Board of Directors upon approval of the Risk Appetite Framework. Containment of the risk to changes in interest rates is also based on monitoring of the duration of the Bank's proprietary portfolio or on stress tests that aim to identify in advance significant sources of risk upon the occurrence of adverse situations.

In line with Supervisory Provisions, the Bank also determines the exposure to interest rate risk of the banking book by reference to net interest income or expected profits.

During the year, the Group adopted advanced tools for monitoring interest rate risk, which increased the efficiency of the processes of risk data processing and reporting, final and forward-looking risk analytics calculation and detailed analysis of specific financial statement items (e.g., current accounts) in support of the business and/or commercial actions.

Most of the interest rate risk in the Bank's banking book arises from:

- › trading on the collateralised deposits market (REPOs);
- › customer lending activities; and
- › investing activities regarding the debt securities portfolio held as treasury investment, which can cause a mismatch in the repricing dates and currencies of assets compared to those of liabilities associated with funding activities, with a negative impact on the Group's objectives in terms of net interest income.

B. Fair value and cash flow hedging

The Bank currently uses fair value and cash flow hedging strategies to contain the interest rate risk on the banking book. These strategies are formulated according to the Bank's risk appetite and are designed to keep the banking book's duration within the established limits by using hedging derivative instruments such as interest rate swaps, also useful for a more efficient internal ALM.

In particular, by establishing micro FVH relationships, the Bank seeks to stabilise the fair value of the bond in respect of changes in interest rates and to decrease the duration of the hedged bond.

All derivative instruments are designated as hedges against the specific risk hedged, as identified for each hedging relationship and pursuant to IFRS 9.

In addition, cash flow hedging was first applied in 2024 to hedge cash flows generated by variable-rate securities or by ASW packages (FVH).

In addition, as part of its ALM management, the Bank has entered into macro fair value hedges to modelled demand deposit liabilities so as to stabilise their fair value and manage their duration. These hedges were executed to ensure thorough management of the delta EVE and NII limits for calculating the interest rate risk in the banking book (IRRBB).

Quantitative information

1. Banking book: breakdown by time-to-maturity (repricing date) of financial assets and liabilities

TYPE/TIME-TO-MATURITY	DEMAND	UP TO 3 MONTHS	OVER 3 MONTHS, UP TO 6 MONTHS	OVER 6 MONTHS, UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS, UP TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Cash assets	3,429,938	1,249,974	2,352,155	2,619,410	4,654,936	1,735,151	397,943	-
1.1 Debt securities	-	868,167	2,090,426	2,517,738	4,647,563	1,710,461	396,888	-
- with early repayment option	-	128,249	39,545	48,460	59,985	134,570	3,801	-
- other	-	739,918	2,050,881	2,469,278	4,587,578	1,575,891	393,087	-
1.2 Loans to banks	617,000	325,693	260,704	99,983	-	-	-	-
1.3 Loans to customers	2,812,938	56,114	1,025	1,689	7,373	24,690	1,055	-
- current accounts	1,969,221	17	40	49	75	-	-	-
- other loans	843,717	56,097	985	1,640	7,298	24,690	1,055	-
- with early repayment option	488,138	349	146	277	3,474	839	1,055	-
- other	355,579	55,748	839	1,363	3,824	23,851	-	-
2. Cash liabilities	14,240,113	1,520,648	159	100,432	60,043	-	-	-
2.1 Due to customers	14,111,640	1,334,704	159	432	60,043	-	-	-
- current accounts	13,650,806	129	159	432	60,043	-	-	-
- other debts	460,834	1,334,575	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	460,834	1,334,575	-	-	-	-	-	-
2.2 Due to banks	128,392	185,944	-	-	-	-	-	-
- current accounts	56,331	-	-	-	-	-	-	-
- other debts	72,061	185,944	-	-	-	-	-	-
2.3 Debt securities	81	-	-	100,000	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	81	-	-	100,000	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives	10,000	8,149,900	5,904,737	1,710,000	4,074,559	841,900	376,000	-
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	10,000	8,149,900	5,904,737	1,710,000	4,074,559	841,900	376,000	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	10,000	8,149,900	5,904,737	1,710,000	4,074,559	841,900	376,000	-
+ long positions	10,000	2,584,900	3,804,049	1,477,000	2,658,159	-	-	-
+ short positions	-	5,565,000	2,100,688	233,000	1,416,400	841,900	376,000	-
4. Other off-balance sheet transactions	1,624,245	1,620,695	-	-	-	-	-	-
+ long positions	1,566,883	55,587	-	-	-	-	-	-
+ short positions	57,362	1,565,108	-	-	-	-	-	-

2. Banking book: internal models and other methods of sensitivity analysis

The sensitivity analysis was conducted only for the interest rate risk component also for the banking book, with regard to the portfolio of financial assets measured at fair value through other comprehensive income, the portfolio of financial assets measured at amortised cost, and the portfolio of loans to customers and banks.

As regards the price risk, a shock of +100/-100 basis points would yield a change in the valuation reserves on debt securities in the HTCS category of -24.1/+24.1 million euros, gross of the tax effect.

The fair value delta component associated with the government bonds in the HTCS portfolio would amount to -23.3/+23.3 million euros as a result of the hypothesised shift in the rate curve, or about 97% of the fair value delta of the entire HTCS bond portfolio.

To provide a complete information, the following table shows the effect of a similar price shock in the fair value of portfolios recognised at amortised cost.

(€ THOUSAND)	HTCS	HTC	LOANS ^(*)	TOTAL
FV bonds delta (+1%)	-24,113	-125,251	-12,948	-162,312
- of which: government bonds	-23,291	-88,475	-	-111,766
FV bonds delta (-1%)	24,113	125,251	17,122	166,486
- of which: government bonds	23,291	88,475	-	111,766

(*) Loans to banks and loans to customers.

The same criteria were also applied to a sensitivity analysis of net interest income of the entire banking book. It resulted in a potential impact on the Profit and Loss Account of +11.7 million euros, gross of the tax effect, in case of increase in interest rates by 1%, and -11.6 million euros in case of decrease by the same amount.

(€ THOUSAND)	ASSETS	LIABILITIES	NET
Net interest income delta (+1%) ^(*)	37,638	-25,951	11,687
Net interest income delta (-1%) ^(*)	-37,612	26,066	-11,546

(*) Sensitivity analysis calculated using a constant balance sheet, considering current funding pricing conditions.

1.2.3 Exchange rate risk

Qualitative information

A. General aspects and exchange rate risk management processes and measurement techniques

Exchange rate risk is the possibility of incurring losses due to adverse fluctuations in the value of foreign currencies on all positions held, regardless of the portfolio to which they have been allocated.

With regard to exchange rate risk management, the Group has formally defined a Financial Portfolio Risk Management Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The Finance function performs first-line controls of exchange rate risk management.

The Chief Risk Office is responsible for second-line controls with the aim of conducting specific independent measurement, control and monitoring of the exchange rate risk.

The Chief Audit Office is responsible for third-line controls on lending and funding activities in foreign currency.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the exchange rate risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

Most of the exchange rate risk arises from:

- › trading of securities and other financial assets in foreign currency;
- › interest to be collected and/or paid, reimbursements, fees or dividends in foreign currency;
- › bank transfers in foreign currency to customers (institutional and retail customers);
- › currency trading on behalf of customers.

The main objective of exchange rate operations is to contain open positions in foreign currencies, as limited to currency account currencies.

Exchange rate risk is mitigated through funding activities in the same currency as that of lending transactions.

The exchange rate risk associated with BG Valeur and BG Suisse is due to the fact that most of its revenues are in a different currency than its administrative costs (CHF). The subsidiaries' open positions in the Swiss franc account for 0.7% of total consolidated assets, and therefore are not a material exposure at the Group level.

Quantitative information

1. Breakdown by currency of denomination of assets, liabilities and derivatives

ITEMS	CURRENCIES						
	US DOLLAR	POUND STERLING	JAPANESE YEN	CANADIAN DOLLAR	SWISS FRANC	AUSTRALIAN DOLLAR	OTHER CURRENCIES
A. Financial assets	145,783	12,345	386	4,989	70,225	1,429	1,590
A.1 Debt securities	65,277	-	-	-	7,530	-	-
A.2 Equity securities	7,301	23	-	-	-	-	1
A.3 Loans to banks	65,789	12,321	386	4,989	61,362	1,429	1,588
A.4 Loans to customers	7,416	1	-	-	1,333	-	1
A.5 Other financial assets	-	-	-	-	-	-	-
B. Other assets	-	-	-	-	-	-	-
C. Financial liabilities	120,669	12,060	531	5,219	63,962	1,231	778
C.1 Due to banks	-	-	-	-	477	-	167
C.2 Due to customers	120,669	12,060	531	5,219	63,485	1,231	611
C.3 Debt securities	-	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-	-
D. Other liabilities	-	-	-	-	-	-	-
E. Financial derivatives	-8,933	-141	434	-	-16	-2	-2
Options	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-
Other derivatives	-8,933	-141	434	-	-16	-2	-2
- long positions	19,686	5,522	450	24	7,551	13	2,780
- short positions	28,619	5,663	16	24	7,544	15	4,622
Total assets	165,469	17,867	836	5,013	77,776	1,442	4,370
Total liabilities	149,288	17,723	547	5,243	71,506	1,246	5,400
Excess	16,181	144	289	-230	6,270	196	-1,030

2. Internal models and other methods of sensitivity analysis

The sensitivity analysis discussed in the foregoing section has been also conducted on assets and liabilities denominated in currencies other than the euro, regardless of the portfolio to which they have been allocated.

A shock of +10%/-10% on equity instruments denominated in currencies other than the euro would have an effect on the fair value of approximately +1.2/-1.2 million euros, whereas a shock of +100/-100 bps in rates would have an effect on the fair value of debt securities and assets other than equity instruments in foreign currency of -334/+334 thousand euros, gross of the tax effect.

(€ THOUSAND)	ASSETS
FV equity delta (+10%)	1,200
FV equity delta (-10%)	-1,200
FV non-equity delta (+1%)	-334
FV non-equity delta (-1%)	+334

By contrast, an interest rate movement of +100/-100 bps would have an effect of +1.0/-1.0 thousand euros on the flow of interest on assets and liabilities denominated in currencies other than the euro.

(€ THOUSAND)	TOTAL ITEMS
Net interest income delta (+1%)	+1,050
Net interest income delta (-1%)	-1,056

1.3 Derivatives and Hedging Policies

1.3.1 Trading derivatives

A. Financial derivatives

A.1 HFT financial derivatives: notional values at year-end

UNDERLYING ASSETS/ TYPES OF DERIVATIVES	31.12.2025				31.12.2024			
	OVER THE COUNTER				OVER THE COUNTER			
	CENTRAL COUNTER- PARTIES	WITHOUT CENTRAL COUNTERPARTIES		ORGANISED MARKETS	CENTRAL COUNTER- PARTIES	WITHOUT CENTRAL COUNTERPARTIES		ORGANISED MARKETS
		WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS			WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	
1. Debt securities and interest rates	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and stock indices	-	92,350	-	217,317	-	-	-	-
a) Options	-	86,268	-	217,317	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	6,082	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	-	5,187	11,457	-	-	5,892	5,892	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	5,187	11,457	-	-	5,892	5,892	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Goods	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
Total	-	97,537	11,457	217,317	-	5,892	5,892	-

A.2 HFT financial derivatives: positive and negative gross fair value – breakdown by products

TYPE OF DERIVATIVES	31.12.2025				31.12.2024			
	OVER THE COUNTER				OVER THE COUNTER			
	CENTRAL COUNTER-PARTIES	WITHOUT CENTRAL COUNTERPARTIES		ORGANISED MARKETS	CENTRAL COUNTER-PARTIES	WITHOUT CENTRAL COUNTERPARTIES		ORGANISED MARKETS
		WITH NETTING ARRANGE-MENTS	WITHOUT NETTING ARRANGE-MENTS			WITH NETTING ARRANGE-MENTS	WITHOUT NETTING ARRANGE-MENTS	
1. Positive fair value								
a) Options	-	6,500	-	14,616	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	80	293	-	-	111	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	-	6,580	293	14,616	-	111	-	-
1. Negative fair value								
a) Options	-	6,158	-	11,186	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	348	-	-	109	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	-	6,158	348	11,186	-	109	-	-

A.3 OTC HFT financial derivatives: breakdown of notional values and positive and negative gross fair value by counterparties

UNDERLYING ASSETS	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL CORPORATIONS	OTHER ENTITIES
Contracts other than netting arrangements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equity securities and stock indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional value	X	6,270	-	5,187
- positive fair value	X	50	-	-
- negative fair value	X	27	-	77
4) Goods				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other values				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts within the scope of netting arrangements				
1) Debt securities and interest rates				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and stock indices				
- notional value	-	157,493	86,002	66,172
- positive fair value	-	11,734	5,268	4,357
- negative fair value	-	10,307	3,361	3,920
3) Currencies and gold				
- notional value	-	5,186	-	-
- positive fair value	-	80	-	-
- negative fair value	-	-	-	-
4) Goods				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other values				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Time-to-maturity of OTC HFT financial derivatives: notional values

UNDERLYING ASSETS/RESIDUAL LIFE	UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivatives on debt securities and interest rates	-	-	-	-
A.2 Financial derivatives on equity securities and stock indices	217,735	91,932	-	309,667
A.3 Financial derivatives on currencies and gold	16,643	-	-	16,643
A.4 Financial derivatives on goods	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total at 31.12.2025	234,378	91,932	-	326,310
Total at 31.12.2024	11,783	-	-	11,783

1.3.2 Hedging instruments

Qualitative information

A. Fair value hedging

Fair value hedging is aimed at hedging the banking book from changes in fair value of net inflows and loans that is attributable to the fluctuation of the interest rate and exchange rate curve. The Bank adopts both micro fair value hedges and macro fair value hedges.

- › **Micro fair value hedge of fixed-rate debt securities:** these securities are allocated to the debt securities portfolios measured at amortised cost and at fair value through other comprehensive income. Hedging is implemented using IRS derivatives.
- › **Micro fair value hedges of fixed-rate currency debt securities:** these securities are allocated to the debt securities portfolios measured at amortised cost and at fair value through other comprehensive income. Hedging is implemented using CCS derivatives.
- › **Macro fair value hedges:** macro fair value hedge is applied to a portfolio of demand deposit liabilities (core deposits) using IRS contracts. This type of hedge aims to mitigate fair value fluctuations attributable to interest rate risk.

B. Cash flow hedging

Cash flow hedging is intended to hedge the exposure to variability in future cash flows that is attributable to the fluctuation of the interest rate curve. To date, only the following type of hedges is used:

- › **Cash flow hedges of variable-rate debt securities:** this type of hedge is applied to variable-rate debt securities arising from pre-existing fair value hedges (asset swaps), using IRS derivatives.

C. Hedging instruments

Hedging against exposure to interest rate risk, whether in the form of fair value hedges and cash flow hedges, mainly uses IRS derivatives (interest rate swap).

Exchange rate risk is hedged using CCS (cross currency swap) derivatives.

The Bank applies the dollar-offset methods to assess hedge effectiveness. This method compares the cumulative changes in the fair value of the hedging instrument with those of the hedged item.

Any failure in the model used by the Bank to assess hedge effectiveness may be mainly attributable to the following phenomena:

- › any mismatch between the notional amount of the derivative and the underlying hedged item recognised at the time of the initial designation or generated thereafter;
- › application of different curves to the hedging derivative and the hedged item for the purpose of performing the effectiveness test on fair value hedges. Derivatives, which are normally collateralised or centrally-cleared, are discounted using the overnight curve, while hedged items are discounted using the benchmark curve of the hedging instrument;
- › with regard to fair value hedges, inclusion in the effectiveness test of the value of the variable interest rate cash flows of the hedging derivative.

D. Hedged items

The main types of hedged items include:

- › fixed-rate debt securities allocated to the portfolio of financial assets measured at amortised cost and, to a lesser extent, to the portfolio of financial assets measured at fair value through other comprehensive income (OCI);
- › aggregate transactions consisting of variable-rate debt securities resulting from previous fair value hedge transactions (asset swaps);
- › modelled stable demand deposits (core deposits).

The proprietary portfolio managed by the Bank includes hedging derivatives entered into both through a central counterparty (CCP) clearing house and on a bilateral basis under a CSA, affected by the benchmark interest rate reform introduced by Regulation (EU) No. 34 of 15 January 2020.

For such contracts, which normally call for the use of Eonia rates, the transition to the new overnight rate, €STR, was therefore completed in 2021.

Since 1 September 2022, concurrently with the parent company, Assicurazioni Generali, the Bank has been subject to an obligation to apply all risk mitigation techniques mandated by the EMIR Regulation in reference to contracts not subject to clearing through central counterparties. Specifically, the Bank entered into contracts for the exchange of collateral to hedge the initial margins in OTC derivatives with each counterparty, indicating Euroclear as the Triparty Agent with which to segregate the securities hedging the exposure. The Bank has also adopted ACADIA software for calculating the initial margins of existing positions, with daily monitoring of both observance of regulatory thresholds and covering margin calls.

Quantitative information

A. Hedging financial derivatives

A.1 Hedging financial derivatives: notional values at year-end

TYPE OF DERIVATIVES	31.12.2025				31.12.2024			
	OVER THE COUNTER				OVER THE COUNTER			
	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS
	CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS		CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	
1. Debt securities and interest rates	-	10,618,959	-	-	-	7,201,659	-	-
a) Options	-	103,000	-	-	-	-	-	-
b) Swaps	-	10,515,959	-	-	-	7,201,659	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and stock indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	-	8,515	-	-	-	9,656	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	8,515	-	-	-	9,656	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Goods	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
Total	-	10,627,474	-	-	-	7,211,315	-	-

A.2 Hedging financial derivatives: positive and negative gross fair value - breakdown by products

TYPE OF DERIVATIVES		POSITIVE AND NEGATIVE FAIR VALUE									
		31.12.2025					31.12.2024				
		OVER THE COUNTER				ORGANISED MARKETS	OVER THE COUNTER				CHANGE IN VALUE USED TO MEASURE THE HEDGE INEFFECTIVENESS
		WITHOUT CENTRAL COUNTERPARTIES			WITHOUT CENTRAL COUNTERPARTIES						
		CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	CENTRAL COUNTER- PARTIES		WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS			
1. Positive fair value											
a) Options	-	388	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	152,547	-	-	-	131,221	-	-	-	-	-
c) Cross currency swaps	-	528	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-	-
Total	-	153,463	-	-	-	131,221	-	-	-	-	-
2. Negative fair value											
a) Options	-	716	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	188,268	-	-	-	176,363	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	583	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-	-
Total	-	188,984	-	-	-	176,946	-	-	-	-	-

A.3 OTC financial derivatives: breakdown of notional values and positive and negative gross fair value by counterparties

UNDERLYING ASSETS	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL CORPORATIONS	OTHER ENTITIES
Contracts other than netting arrangements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equity securities and stock indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Goods				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts within the scope of netting arrangements				
1) Debt securities and interest rates				
- notional value	-	10,548,959	70,000	-
- positive fair value	-	152,263	672	-
- negative fair value	-	188,760	224	-
2) Equity securities and stock indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional value	-	8,515	-	-
- positive fair value	-	528	-	-
- negative fair value	-	-	-	-
4) Goods				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Time-to-maturity of OTC hedging financial derivatives: notional values

UNDERLYING ASSETS/RESIDUAL LIFE	UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivatives on debt securities and interest rates	3,870,500	5,277,559	1,470,900	10,618,959
A.2 Financial derivatives on equity securities and stock indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	8,515	-	-	8,515
A.4 Financial derivatives on goods	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total at 31.12.2025	3,879,015	5,277,559	1,470,900	10,627,474
Total at 31.12.2024	1,065,000	4,132,215	2,014,100	7,211,315

D. Hedged instruments**D.1 Fair value hedging**

	MICRO HEDGES: CARRYING AMOUNT	MICRO HEDGES – NET POSITIONS: CARRYING AMOUNT OF ASSETS OR LIABILITIES (BEFORE NETTING)	CUMULATIVE FAIR VALUE CHANGES OF THE HEDGED INSTRUMENT	MICRO HEDGES			MACRO HEDGES: CARRYING AMOUNT
				DISCONTINUATION: RESIDUAL CUMULATIVE FAIR VALUE CHANGES	HEDGE USED TO MEASURE THE HEDGE INEFFECTIVENESS	CHANGE IN VALUE	
A ASSETS							
1. Financial assets measured at fair value through other comprehensive income – hedging of:	111,513	-	91	-	-	-	-
1.1 Debt securities and interest rates	111,513	-	91	-	-	-	X
1.2 Equity securities and stock indices	-	-	-	-	-	-	X
1.3 Currencies and gold	-	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	-	X
2. Financial assets at amortised cost – hedging of:	4,527,339	-	-74,696	-	-	-	-
1.1 Debt securities and interest rates	4,518,803	-	-73,536	-	-	-	X
1.2 Equity securities and stock indices	-	-	-	-	-	-	X
1.3 Currencies and gold	8,536	-	-1,160	-	-	-	X
1.4 Loans	-	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	-	X
Total at 31.12.2025	4,638,852	-	-74,605	-	-	-	-
Total at 31.12.2024	4,701,403	-	-17,147	-	-	-	-
B. LIABILITIES							
1. Financial liabilities measured at amortised cost – hedging of:	-	-	-	-	-	-	4,797
1.1 Debt securities and interest rates	-	-	-	-	-	-	X
1.2 Currencies and gold	-	-	-	-	-	-	X
1.3 Other	-	-	-	-	-	-	X
Total at 31.12.2025	-	-	-	-	-	-	4,797
Total at 31.12.2024	-	-	-	-	-	-	-2,142

D.2 Cash flow hedges and hedges of a net investment in a foreign operation

	CHANGE IN VALUE USED TO MEASURE THE HEDGE INEFFECTIVENESS	HEDGING RESERVE	HEDGE DISCONTINUATION: RESIDUAL VALUE OF HEDGING RESERVE
A. Cash flow hedges			
1. Assets	-	2,279	-
1.1 Debt securities and interest rates	-	2,279	-
1.2 Equity securities and stock indices	-	-	-
1.3 Currencies and gold	-	-	-
1.4 Loans	-	-	-
1.5 Other	-	-	-
2. Liabilities	-	-	-
1.1 Debt securities and interest rates	-	-	-
1.2 Currencies and gold	-	-	-
1.3 Other	-	-	-
Total at 31.12.2025	-	2,279	-
Total at 31.12.2024	-	4,703	-
B. Hedges of a net investment in a foreign operation	X	-	-
Total (A + B) 31.12.2025	-	2,279	-
Total (A + B) 31.12.2024	-	4,703	-

E. Effects of hedging transactions on net equity**E.1 Reconciliation of net equity components**

	CASH-FLOW HEDGE RESERVE					RESERVE OF HEDGES OF A NET INVESTMENT IN A FOREIGN OPERATION					
	DEBT SECURITIES AND INTEREST RATES	EQUITY SECURITIES AND STOCK INDICES	CURRENCIES AND GOLD	LOANS	OTHER	DEBT SECURITIES AND INTEREST RATES	EQUITY SECURITIES AND STOCK INDICES	CURRENCIES AND GOLD	LOANS	OTHER	
Amount at year-start	4,703	-	-	-	-	-	-	-	-	-	
Fair value changes (effective portion)	- 3,573	-	-	-	-	-	-	-	-	-	
Transfer to Profit and Loss Account	-	-	-	-	-	-	-	-	-	-	
of which: future transactions no longer expected	-	-	-	X	X	X	X	X	X	X	
Other changes	1,149	-	-	-	-	-	-	-	-	-	
of which: transfer to the initial carrying amount of the hedged instruments	-	-	-	X	X	X	X	X	X	X	
Amount at year-end	2,279	-	-	-	-	-	-	-	-	-	

1.3.3 Other information on derivatives (held for trading and for hedging)

A. Financial and credit derivatives

A.1 OTC financial and credit derivatives: breakdown of net fair value by counterparties

	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL CORPORATIONS	OTHER ENTITIES
A. Financial derivatives				
1) Debt securities and interest rates				
- notional value	-	10,548,959	70,000	-
- positive fair value	-	152,263	672	-
- negative fair value	-	188,760	224	-
2) Equity securities and stock indices				
- notional value	-	157,493	86,002	66,172
- positive fair value	-	11,734	5,268	4,357
- negative fair value	-	10,307	3,361	3,920
3) Currencies and gold				
- notional value	-	19,971	-	5,187
- positive fair value	-	130	-	-
- negative fair value	-	27	-	77
4) Goods				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
B. Credit derivatives				
1) Purchase and protection				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Sale and protection				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

1.4 Liquidity risk

Qualitative information

A. General aspects and liquidity risk management processes and measurement techniques

Exposure to liquidity risk derives from funding and lending transactions in the course of the Bank's ordinary business, as well as from the presence of unlisted financial instruments in its proprietary portfolios. Such risk takes the form of default on payment obligations, which may be caused by an inability to raise funds (funding liquidity risk) or the existence of limits on the divestment of assets (market liquidity risk). Liquidity risk also includes the risk that an entity may be forced to meet its own payment obligations at non-market costs, that is to say while incurring a high cost of funding or (and in some cases concurrently) sustaining capital losses when divesting assets.

The structure of the liquidity risk management system is intended to ensure sound and prudent management of liquidity and liquidity risk and pursues the following goals:

- ensuring that the Bank remains solvent in both the ordinary course of business and crisis conditions;
- complying with instructions from the Supervisory Authority and the guidelines on banking supervision issued by the various international authorities, while also taking account of the specificity of the Bank's business;

- › maintaining a liquidity profile that is consistent with the risk tolerance statements issued by its administrative bodies;
- › ensuring liquidity levels capable of allowing the Group to fulfil its contractual commitments at any times, maximising the cost of funding with respect to current and forecast market conditions.

In particular, the liquidity risk management and monitoring policy implemented by the Group at the consolidated level is in turn divided into:

- › managing **operating liquidity** risk, i.e., events that affect the Group's liquidity position on the short-term time horizon, with the primary objective of maintaining the Group's capacity to meet its ordinary and extraordinary payment obligations, while minimising the related costs;
- › managing **structural liquidity** risk, i.e., all events that affect the Group's liquidity position, including in the medium/long term, with the primary objective of maintaining an adequate relationship between liabilities and assets on the various time horizons. In particular, the management of structural liquidity allows to avoid pressure on current and prospective sources of liquidity and to optimise the cost of funding.

Both risk profiles are measured on a going concern basis and in stress scenarios and are analysed from a current and a prospective standpoint (forward looking).

With regard to liquidity risk management, the Bank has formally defined a policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The Finance function is responsible for first-line controls and managing treasury and proprietary investment cash flows with the aim of ensuring thorough diversification of sources of financing and monitoring cash flows and daily liquidity. Liquidity needs are primarily managed through recourse to the money market (interbank deposits and repurchase agreements) and, to a secondary degree, where available, through the measures proposed by the ECB. The funding structure is mainly focused on net inflows from retail customers, which are characterised by a stable performance, and on institutional sources of funding. In addition, the Group maintains a portfolio of listed, highly liquid financial instruments (high quality liquid assets) in order to respond to potential crisis scenarios characterised by a sudden interruption of net inflows.

The Chief Risk Office is responsible for second-line controls. Liquidity risk is managed within appropriate short-term and structural (beyond one year) limits, monitored by the said function, assuming that financial markets will either continue to function normally or in conditions of particular stress, so as to ensure that the risk level expressed is consistent with the strategies and risk appetite established by the Board of Directors.

The Chief Audit Office function is responsible for third-line controls on lending and funding activities.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the liquidity risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

Moreover, the Group has a Contingency Funding Plan in order to ensure the orderly management of any systemic and idiosyncratic liquidity crises, the safeguarding of the Bank's assets and a guarantee of business continuity. This Plan detects, through early warning monitoring, any signs of liquidity tension and identifies the actions or tools to be activated. On an annual basis, the Bank also initiates and prepares a self-assessment on liquidity risk management during the ILAAP process, providing the results to the supervisory authorities.

The liquidity risk is also monitored using a maturity ladder designed on the basis of the guidelines set out in the prudential supervisory provisions governing the measurement of net financial position. Through the maturity ladder, the Bank assesses the matching of expected cash flows, by balancing assets and liabilities whose maturity falls within each maturity range; the balances and therefore the mismatches between expected inflows and outflows within each maturity range allow, through the construction of cumulative mismatches, the calculation of the net balance of funding requirement (or surplus) over the holding period considered.

The Bank's LCR at 31 December 2025 amounted to 337%, far in excess of the current mandatory minimum level, thanks to high quality liquid assets (HQLAs) of approximately 9.8 billion euros, primarily Italian government bonds, offsetting the estimated net cash outflows in the following 30 days.

During the year, the structural regulatory indicator (Net Stable Funding Ratio) also remained consistently above the established limits, amounting to 240% as at 31 December 2025, owing to long-term stable funding in excess of the on-balance sheet assets requiring such long-term stable funding.

As a participant in payment, settlement and netting systems, the Group is exposed to intraday liquidity risk due to a mismatch in the timing of daily payment inflows and outflows, which may in turn give rise to potentially large temporary imbalances than expected at the end of the day.

Intraday liquidity management is the responsibility of the Treasury and Portfolio Management Service and seeks to ensure that available liquidity is constantly sufficient to cover cash outflows. The Chief Risk Office is responsible for ex-post second-line controls.

Structural liquidity risk is also measured by adopting Additional Liquidity Monitoring Metrics (pursuant to Article 415, paragraph 3(b), of Regulation (EU) No. 575/2013), involving an analysis of the concentration of borrowings by counterparty and product type. These analyses enable a more complete vision of the liquidity risk profile, providing the level of diversification of sources of funding in the wholesale and retail markets in order to emphasise excessive dependency on individual product types, which could be subject to severe outflows during a liquidity crisis.

In the year, the Bank constantly monitored its short- and long-term liquidity profile through the application of its control framework, ensuring prudent and sound management.

Quantitative information

1. Breakdown of financial assets and liabilities by time to contractual maturity

ITEM/TIME-TO-MATURITY	DEMAND	OVER 1 DAY, UP TO 7 DAYS	OVER 7 DAYS, UP TO 15 DAYS	OVER 15 DAYS, UP TO 1 MONTH	OVER 1 MONTH, UP TO 3 MONTHS	OVER 3 MONTHS UP TO 6 MONTHS	OVER 6 MONTHS, UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS	UNSPECIFIED MATURITY
A. Cash assets										
A.1 Government securities	-	300	6,537	393,150	64,246	548,871	2,179,652	4,797,974	1,721,069	-
A.2 Other debt securities	2,500	277	34,311	4,853	30,782	63,122	211,586	1,566,982	810,342	255
A.3 UCITS units	480,581	-	-	-	-	-	-	-	-	-
A.4 Financing	2,919,460	93,153	39,095	13,085	160,328	292,221	147,505	226,002	200,328	128,547
- to banks	592,716	63,874	19,158	3,066	134,252	260,751	100,000	-	-	128,547
- to customers	2,326,744	29,280	19,937	10,019	26,076	31,470	47,505	226,002	200,328	-
Total	3,402,541	93,730	79,943	411,088	255,356	904,214	2,538,743	6,590,958	2,731,739	128,802
B. Cash liabilities										
B.1 Deposits and current accounts	13,706,669	129	30,000	20,188	-	159	2,832	60,043	-	-
- from banks	56,686	-	30,000	20,188	-	-	-	-	-	-
- from customers	13,649,983	129	-	-	-	159	2,832	60,043	-	-
B.2 Debt securities	81	-	-	-	-	-	-	100,000	-	-
B.3 Other liabilities	485,979	1,088,404	150,858	60,024	221,233	-	-	68,474	1,337	-
Total	14,192,729	1,088,533	180,858	80,212	221,233	159	2,832	228,517	1,337	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap	-	90,082	-	20,744	101,365	67,352	39,001	21,857	-	160,481
- long positions	-	45,041	-	7,452	46,999	29,866	20,766	16,004	-	84,470
- short positions	-	45,041	-	13,292	54,366	37,486	18,235	5,853	-	76,011
C.2 Financial derivatives without capital swap	55,548	1,258	867	3,893	9,899	36,436	51,675	-	-	-
- long positions	26,402	1,258	88	2,222	7,080	31,922	36,352	-	-	-
- short positions	29,146	-	779	1,671	2,819	4,514	15,323	-	-	-
C.3 Deposits and loans receivable	1,565,108	1,565,108	-	-	-	-	-	-	-	-
- long positions	1,565,108	-	-	-	-	-	-	-	-	-
- short positions	- 1,565,108	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	57,362	55,587	-	-	-	-	-	-	1,775	-
- long positions	-	55,587	-	-	-	-	-	-	1,775	-
- short positions	57,362	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	21,717	-	-	-	-	3,104	5,759	16,583	1,701	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with capital swap	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without capital swap	-	-	-	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
Total	1,699,735	1,712,035	867	24,637	111,264	106,892	96,435	38,440	3,476	160,481

1.5 Operational risks

Qualitative information

A. General aspects and operational risk management processes and measurement techniques

The exposure to operational risks is closely linked to the type and volume of business conducted, as well as the operating procedures implemented. In detail, the operations undertaken (primarily management of third-party assets and the distribution of the Group's own and third-party investment products), the use of information technology systems, the definition of operating procedures, interaction with parties protected by the law, the commercial structure adopted (chiefly Financial Advisors) and the direct involvement of all employed personnel in operations structurally expose the Group to operational risk, which is defined as the possibility of sustaining financial losses deriving from the inadequacy or improper functioning of procedures, human resources, internal systems or external events. This type of risk includes, inter alia, losses due to fraud, human error, interruptions of operations, unavailability of systems, breach of contract, natural disasters and legal risk.

With regard to operational risk management, the Banking Group has formally defined an Operational Risk Management Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The functions dealing with Organisation, IT Management and Security guarantee the efficient functioning of application procedures and information systems that support organisational processes. They also evaluate the physical and logical security conditions within the Group and, if necessary, implement measures to guarantee a higher general level of security.

The Chief Risk Office carries out risk assessment and scoring activities, monitors incidents/operational risk events and the related and loss data collection processes. It also monitors the action plans adopted to mitigate material risks and has defined and controls KRIs (Key Risk Indicators) instrumental to monitoring of the areas of highest risk.

The Internal Audit function supervises the regular conduct of the Bank's operations and processes, and assesses the efficacy and efficiency of the overall internal control system established to monitor activities exposed to risk.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the operational risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

Moreover, the Group has insurance coverage for operational risks deriving from acts of third parties or caused to third parties and adequate contractual clauses covering damages caused by providers of infrastructure and services and has approved a Business Continuity Plan.

Quantitative information

The impact of operating losses in 2025 is broken down below by business line and by event type (€ thousand):

BUSINESS LINE	ET 01 – INTERNAL FRAUD	ET 02 – EXTERNAL FRAUD	ET 03 – EMPLOYMENT PRACTICES AND WORKPLACE SAFETY	ET 04 – CLIENTS, PRODUCTS AND BUSINESS PRACTICES	ET 05 – DAMAGE TO PHYSICAL ASSETS	ET 06 – BUSINESS DISRUPTION AND SYSTEM FAILURES	ET 07 – EXECUTION, DELIVERY AND PROCESS MANAGEMENT	TOTAL
Corporate Finance	1,337	-	-	46,776	-	-	8	48,120
Trading and Sales	-	-	-	-	-	-	423	423
Retail Brokerage	1,291	-	-	1,146	-	56	213	2,706
Commercial Banking	-	3	-	-	-	-	8	10
Retail Banking	-28	32	-	175	-	-	37	216
Payment and Settlement	332	-61	-	5	-	-	13	289
Agency Services	-	-	-	114	-	-	120	235
Asset Management	-	-	-	-	-	-	72	72
Corporate Items	-86	600	244	-53	5	-	605	1,316
Overall total	2,847	574	244	48,164	5	56	1,497	-

Breakdown of frequency ratio by business line and type of event:

BUSINESS LINE	ET 01 – INTERNAL FRAUD	ET 02 – EXTERNAL FRAUD	ET 03 – EMPLOYMENT PRACTICES AND WORKPLACE SAFETY	ET 04 – CLIENTS, PRODUCTS AND BUSINESS PRACTICES	ET 05 – DAMAGE TO PHYSICAL ASSETS	ET 06 – BUSINESS DISRUPTION AND SYSTEM FAILURES	ET 07 – EXECUTION, DELIVERY AND PROCESS MANAGEMENT	TOTAL
Corporate Finance	-	-	-	6	-	-	2	8
Trading and Sales	-	-	-	-	-	-	26	26
Retail Brokerage	3	-	-	9	-	1	13	26
Commercial Banking	-	1	-	-	-	-	1	2
Retail Banking	-	1	-	2	-	-	4	7
Payment and Settlement	3	-	-	1	-	-	2	6
Agency Services	-	-	-	1	-	-	12	13
Asset Management	-	-	-	-	-	-	1	1
Corporate Items	-	7	5	-	1	-	4	17
Overall total	6	9	5	19	1	1	65	-

The event type recording the highest impact was the Event Type “ET 04 – Clients, products and business practices”; this category includes losses arising from an unintentional or negligent failure to meet a professional obligation to specific customers by the Group or its Financial Advisors.

Significant impact is also attributable to “ET 01 – Internal fraud”, which includes losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or company policy by internal staff, including Financial Advisors, in the performance of their duties and which also involves the Bank in that it is liable for the actions of its employees. The Bank carefully examines the individual disputes and complaints and, where necessary, makes an appropriate provision for the risk of legal disputes and continually monitors any developments, adjusting the amount set aside as circumstances change.

All other event types reported minor losses.

The cases reported under “ET 02 – External fraud” include losses due to acts of a type intended to defraud, misappropriate property or circumvent the law by persons outside the Group and are mostly attributable to counterfeit of payment instruments and documents, in addition to cyber risks (e.g., smishing/vishing).

Item “ET 03 – Employment practices and workplace safety” reported losses due to labour disputes.

“ET 07 – Execution, delivery and process management” includes losses from failed transaction processing or process management with regard to the Group’s operations and losses from relations with commercial counterparties and vendors.

In addition, there were marginal losses on event type “ET 06 – Business disruption and system failures” — a category which includes events resulting from the blockage or malfunction of the IT systems used by the Group as a consequence of which operating losses and events with damages to property and equipment are recorded — and on event type “ET 05 – Damage due to physical assets”, which includes the events and losses resulting from physical damage to company assets due to external events.

PART F – INFORMATION ON CONSOLIDATED NET EQUITY

Section 1 – Consolidated net equity

A. Qualitative information

Banca Generali Group's capital management strategy mainly aims to ensure that the capital and ratios of Banca Generali and the banks and financial companies it controls are consistent with its risk profile and regulatory requirements.

Banca Generali Group and the companies belonging to it are subject to the capital adequacy requirements established by the Basel Committee in accordance with the rules defined by the EU (CRR/CRD IV) and applied by the Bank of Italy. Such rules envisage the concept of "Own Funds", which is separate from the net equity stated in the financial statements. Own Funds are calculated as the sum of positive and negative items, which are included in the calculation based on the quality of capital attributed to them.

Compliance with minimum capital requirements is monitored by the Chief Risk Office, whereas the Regulatory and Reporting function is responsible for calculating and disclosing of Own Funds and capital requirements on a regular basis, as well as safeguarding the related databases (historical regulatory archive).

The Parent Company's compliance with capital adequacy ratios is monitored throughout the year and on a quarterly basis, and the necessary measures are taken to ensure control over the balance sheet items.

Additional analyses and preliminary control of the capital adequacy is also carried out upon any extraordinary transactions (e.g., acquisitions, transfers, etc.). In these cases, information concerning the transaction is used to estimate its impact on the capital ratios, and any actions that may be necessary to comply with the requirements of the Supervisory Authorities are planned.

Distribution of 2023 and 2024 dividend

In 2025, the second instalment of the 2023 dividend was distributed, for a total amount of 68.4 million euros, net of the portion attributable to treasury shares.

In addition, the first instalment of the 2024 dividend was also distributed, for a total amount of 245.8 million euros, net of the portion to be assigned to treasury shares.

As approved by the Shareholders' Meeting on 17 April 2025, the second instalment of the 2024 dividend will be paid in February 2026, for a total amount of 74.0 million euros.

Scope of regulatory consolidation

In 2024, Banca Generali increased its interest in BG Saxo SIM S.p.A.'s share capital, bringing its interest to 49% thanks to a new joint venture agreement with Saxo Bank. The increase above 20% entails that the Bank of Italy carries out "supervision on a consolidated basis over the following entities: [...]; b) banking, financial and instrumental companies at least 20% of whose capital is held by companies belonging to a banking group or by an individual bank; [...]" (Article 65, paragraph 1, of TUB).

The agreement between Banca Generali and Saxo Bank provides for joint control over BG Saxo SIM.

Accordingly, with a 49% equity investment — exceeding 20% — it was necessary to apply the proportionate consolidation of BG Saxo SIM into Banca Generali Group for prudential purposes. This consolidation method was introduced by Article 18, paragraph 4, of CRR, but is no longer applicable under IFRS 11; therefore, in the consolidated financial statements, BG Saxo SIM continues to be valued at equity, resulting in a mismatch at prudential level.

B. Quantitative information

At 31 December 2025, consolidated net equity, including net profit for the year, amounted to 1,581.4 million euros compared to 1,459.9 million euros at the end of the previous year.

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
1. Share capital	116,852	116,852	-	-
2. Share premium reserve	52,457	52,392	65	0.1%
3. Reserves	944,990	838,350	106,640	12.7%
4. (Treasury shares)	-96,168	-87,268	-8,900	10.2%
5. Valuation reserves	1,884	8,372	-6,488	-77.5%
6. Equity instruments	105,000	100,000	5,000	5.0%
7. Net equity attributable to minority interests	10,496	-	10,496	n.a.
8. Net profit (loss) for the year	445,845	431,225	14,620	3.4%
Total net equity	1,581,356	1,459,923	121,433	8.3%

In addition to the distribution of the 2024 dividend, the 121.4 million euro net change in consolidated net equity in 2025 was mainly attributable to the consolidated net profit and, to a lower extent, to other factors reported in the table below, such as the buy-back of treasury shares and the change in reserves for share-based payments (IFRS 2), the change in OCI valuation reserves and the recognition in net equity of the extraordinary contribution to unlock the so-called Windfall Tax reserve.

(€ THOUSAND)	31.12.2025	31.12.2024
Net equity at year-start	1,459,923	1,213,265
Acquisition of Intermonte	15,930	-
Dividend paid	-319,962	-245,210
Buy-back and disposal of treasury shares	-18,639	-9,939
Matured IFRS 2 reserves (from stock option plans and remuneration policies)	17,929	16,823
Change in OCI valuation reserves	-6,487	8,956
Dividends on AT1 equity instruments	-5,182	46,413
Consolidated net profit	446,711	431,225
Substitute Windfall Tax recognised in net equity	-7,316	-
Other effects	-1,551	-196
Change in ownership interests and net equity attributable to minority interests	-	-1,414
Net equity at year-end	1,581,356	1,459,923
Change	121,433	246,658

With regard to the Windfall Tax, it should be recalled that Article 26 of Italian Law Decree No. 104/2023 had introduced an extraordinary tax to be levied on banks and calculated by applying a rate of 40% to the amount of net interest income recognised in 2023, with a tax cap equal to 0.26% of the RWAs recognised at the end of 2022.

An option had been also provided to alternatively book a non-distributable equity reserve of 2.5 times the amount of the tax, which the Bank had exercised, allocating 26.6 million euros.

The 2026 Budget Law (Article 1, paragraphs 68-73 of Italian Law No. 199/2025) then established that any profit distribution made in financial years following 1 January 2028 would be automatically drawn from the above-mentioned reserve, resulting in the application of the originally envisaged 40% rate, in addition to the related interest.

However, said law also introduced the option to pay, as an alternative to the tax, an extraordinary contribution calculated by applying lower rates, as follows:

- › a 27.5% rate on the amount of the reserve at 31 December 2025; or
- › a 33% rate of the amount of the reserve at 31 December 2026.

From an accounting perspective, it also clarified that the tax amount should be recognised as soon as the financial statements for the year ending 31 December 2025 with a balancing entry to an equity reserve and that, in order to be entitled to apply the lower rates in calculating the extraordinary contribution, the entity should formalise such decision before approving the 2025 draft financial statements.

Accordingly, on 11 February 2025, the Bank's Board of Directors resolved to authorise the payment of the 27.5% extraordinary contribution by drawing from the so-called "Windfall Tax reserve", for a total amount of **7.3 million euros**.

The acquisition of Intermonte generated a positive effect on net equity amounting to 15.9 million euros, mainly attributable to minority interests (10.2 million euros), to the acquisition of an AT1 financial instrument (5.0 million euros) and, to a lower extent, to IFRS 2 reserves.

In 2025, on the basis of the achievement of the performance objectives set out in the Remuneration Policy, 376,668 treasury shares, with a value of 11,299 thousand euros, of which 94,026 shares in service of the first instalment of the 2022 LTIP and of the second instalment of the 2020 LTIP, were allotted to the Banking Group's employees and Financial Advisors qualifying as Key Personnel, as well as to network managers.

This aggregate also includes 23,394 Banca Generali shares allotted to Intermonte Group employees in service of the pre-acquisition remuneration policies for financial years 2021-2024.

On 17 April 2025, the General Shareholders' Meeting also authorised the repurchase of a maximum of 390,780 treasury shares in service of the 2025 remuneration plans for the Key Personnel of the Banking Group, including Intermonte, and of the new Long Term Incentive Plan (LTIP) for the period 2025-2029. The plan for the buy-back of treasury shares was authorised by the Supervisory Authority on 29 July 2025 and was completed on 30 September 2025, with the last tranches of shares settled at the beginning of October.

The said authorisation also enabled the repurchase of a maximum of 20,000 shares in service of Intermonte's market making activity.

At the end of the year, the Parent Company, Banca Generali, thus held 2,942,019 treasury shares, with a value of 96,103 thousand euros, intended solely for the service of Remuneration Policies for the Banking Group's Key Personnel.

It should be noted that, at the end of the year, Intermonte SIM held 1,000 Banca Generali shares it had purchased as part of its market making activity before being acquired by the Banking Group. To date, this activity has been suspended pending the Supervisory Authority's authorisation.

At year-end 2025, valuation reserves amounted to 1.9 million euros, with a net decrease of 6.5 million euros, mainly due to the decline in fair value valuation reserves for the portfolio of financial assets measured at fair value through other comprehensive income (-6.2 million euros) and in cash flow hedge reserves (-2.4 million euros), partly offset by actuarial gains from defined benefit plans (+1.3 million euros) and by translation reserves referred to net foreign investment in CHF due to the appreciation of this currency (+0.7 million euros).

The increase in the OCI negative reserve on equity securities was mainly attributable to the disposal of the Mainstreet equity investment.

B.1 Consolidated net equity: breakdown by type of company

ITEMS OF NET EQUITY (€ THOUSAND)	SCOPE OF REGULATORY CONSOLIDATION	INSURANCE COMPANIES	OTHER COMPANIES	CANCELLATIONS AND ADJUSTMENTS FOR CONSOLIDATION PURPOSES	TOTAL 31.12.2025
1. Share capital	122,803	-	-	-	122,803
2. Share premium reserve	53,753	-	-	-	53,753
3. Reserves	947,347	-	-	36	947,383
4. Equity instruments	105,000	-	-	-	105,000
5. (Treasury shares)	-96,178	-	-	-	-96,178
6. Valuation reserves	1,884	-	-	-	1,884
Equity securities designated at fair value through other comprehensive income	-3,437	-	-	-	-3,437
Equity security hedges designated at fair value through other comprehensive income	-	-	-	-	-
Financial assets (other than equity securities) measured at fair value through other comprehensive income	721	-	-	-	721
Property and equipment	-	-	-	-	-
Intangible assets	-	-	-	-	-
Hedges of a net investment in a foreign operation	-	-	-	-	-
Cash flow hedges	2,279	-	-	-	2,279
Hedging instruments	-	-	-	-	-
Exchange differences	2,718	-	-	-	2,718
Non-current assets held for sale and disposal groups	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss (change in own creditworthiness)	-	-	-	-	-
Actuarial gains (losses) from defined benefit plans	-397	-	-	-	-397
Share of valuation reserves of equity investments valued at equity	-	-	-	-	-
Finance income or expenses related to insurance contracts issued	-	-	-	-	-
Finance income or expenses related to reinsurance contracts held	-	-	-	-	-
Special revaluation laws	-	-	-	-	-
7. Net profit (loss) for the year (+/-) attributable to the Group and minority interests	447,935	-	-	-1,224	446,711
Total net equity	1,582,544	-	-	-1,188	1,581,356

B.2 Breakdown of valuation reserves of financial assets measured at fair value through other comprehensive income

Valuation reserves of financial assets measured at fair value through other comprehensive income (OCI) account for the unrealised capital gains and losses, net of the associated tax effect, on the assets allocated to that portfolio and recognised at fair value. The change in these reserves contributes to determining the overall company performance in relation to OCI, without passing through Profit and Loss.

However, when gains or losses are realised or an impairment loss is recognised, the cumulative amount of the reserve is reclassified to the Profit and Loss Account in the year of reference.

Fair value valuation reserves of the portfolio of financial assets measured at fair value through OCI declined compared to the end of the previous year.

The aggregate had an overall negative balance of -2.7 million euros, down 6.2 million euros compared to year-end 2024.

The decline was attributable to both the government bonds portfolio, for which net reserves amounted to 0.7 million euros compared to 3.7 million euros at end of the previous year, and the equity securities portfolio, which decreased by 3.2 million euros.

The increase in the OCI negative reserve on equity securities was mainly attributable to the disposal of the Mainstreet equity investment.

ASSETS/VALUES	SCOPE OF REGULATORY CONSOLIDATION		INSURANCE COMPANIES		OTHER COMPANIES		CANCELLATIONS AND ADJUSTMENTS FOR CONSOLIDATION PURPOSES		TOTAL	
	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE
1. Debt securities	1,168	-447	-	-	-	-	-	-	1,168	-447
2. Equity securities	80	-3,517	-	-	-	-	-	-	80	-3,517
3. Financing	-	-	-	-	-	-	-	-	-	-
Total at 31.12.2025	1,248	-3,964	-	-	-	-	-	-	1,248	-3,964
Total at 31.12.2024	5,525	-2,089	-	-	-	-	-	-	5,525	-2,089

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: year changes

Valuation reserves on the HTCS portfolio showed a net reduction of 6.2 million euros in 2025, as a result of the following factors:

- › an increase in net valuation capital losses totalling -6.3 million euros;
- › the reduction of pre-existing net positive reserves due to re-absorption through profit or loss upon realisation (1.5 million euros);
- › a negative net tax effect associated with the above changes and mainly resulting from net decreases in DTAs (-1.6 million euros).

31.12.2025

(€ THOUSAND)	DEBT SECURITIES		EQUITY SECURITIES	FINANCING	TOTAL
	CORPORATE	GOVERNMENT			
1. Amount at year-start	47	3,673	-284	-	3,436
Adjustment of opening balances	-	-	-	-	-
1. Amount at year-start	47	3,673	-284	-	3,436
2. Increases	78	3,306	202	-	3,586
2.1 Fair value increases	32	994	-	-	1,026
2.2 Adjustments for credit risk	15	61	X	-	76
2.3 Transfer to Profit and Loss Account of negative reserves: due to disposal	3	754	X	-	757
2.4 Transfer to other net equity components (equity securities)	-	-	-	-	-
2.5 Other changes	28	1,497	202	-	1,727
3. Decreases	114	6,269	3,355	-	9,738
3.1 Fair value decreases	101	3,941	3,355	-	7,397
3.2 Reversals for credit risk	-	-	-	-	-
3.3 Transfer to Profit and Loss Account of positive reserves due to disposal	2	2,235	X	-	2,237
3.4 Transfer to other net equity components (equity securities)	-	-	-	-	-
3.5 Other changes	11	93	-	-	104
4. Amount at year-end	11	710	-3,437	-	-2,716

B.4 Valuation reserves relating to defined benefit plans: year changes

31.12.2025

	RESERVE	DTAS	NET RESERVE
1. Amount at year-start	-2,426	694	-1,732
2. Increases	-85	23	-62
Decreases of actuarial losses	-	-	-
Other increases	-85	23	-62
3. Decreases	1,708	-311	1,397
Increases of actuarial losses	-	-	-
Other decreases	1,708	-311	1,397
4. Amount at year-end	-803	406	-397

Section 2 – Own Funds and regulatory capital ratios

In accordance with Circular No. 262 of 22 December 2005, 8th update of 17 November 2022, for the details of Own Funds and regulatory capital ratios, reference is made to the information regarding Own Funds and capital adequacy contained in the Pillar 3 Disclosure provided at the consolidated level, available from Banca Generali's corporate website at the address www.bancagen-erali.com.

PART G – BUSINESS COMBINATIONS OF COMPANIES OR BUSINESS UNITS

This section includes both transactions within the scope of IFRS 3 and business combinations between entities under common control.

The results of impairment testing of the Banking Group's goodwill are also stated for purposes of consistency of presentation.

Section 1 – Transactions undertaken during the year

1.1 Intermonte Voluntary Tender Offer

On 31 January 2025, Banca Generali finalised the acquisition of a 100% interest in Intermonte Partners SIM S.p.A. ("Intermonte"), listed on the Italian Stock Exchange (EuroNext Growth Milan) and parent company of the financial group bearing the same name, consisting of the following companies:

- › Intermonte Partners SIM S.p.A. (holding company);
- › Intermonte SIM S.p.A. (operating company), 87.1% controlled by the holding company and the remaining 12.95% controlled by third parties, including by the Assicurazioni Generali Insurance Group, which holds an 11.6% interest through Generali Italia S.p.A.

To this end, on 16 September 2024, Banca Generali launched a voluntary tender offer in cash aimed at acquiring all the ordinary shares of Intermonte for a consideration of **3.04 euros per each share**, including a premium of 24.0% with respect to the average performance of the previous three months, and aimed to collect at least 90% of Intermonte shares, with the intention to delist the shares.

After having received the required authorisations from the Supervisory Authorities on 17 and 18 December 2024 (Bank of Italy and Consob), from 23 December 2024 to 24 January 2025, 30,789,819 shares were tendered to the Offer, equal to approximately 95.332% of the Offer Shares, for a total consideration of **93,601 thousand euros**, paid on 31 January 2025.

On 5 February 2025, pursuant to Article 111 of TUF, the remaining 1,339,086 floating shares (excluding treasury shares) were acquired, accounting for 4.146% of the Issuer's share capital, for a total consideration of **4,071 thousand euros**.

Accordingly, Borsa Italiana proceeded with Intermonte's delisting as of the session of Wednesday, 5 February 2025.

Intermonte Group, a leading independent broker with a leadership position in the Italian market and thirty years of consolidated experience and success, stands out for its quality in its areas of activity — Negotiation & Trading, Global Markets, Investment Banking, Digital Division & Advisory and Research — which are complementary and synergistic to Banca Generali's activity and its private banking positioning, in particular with reference to entrepreneurs and small and medium-sized enterprises (SMEs). This transaction is therefore part of Banca Generali's strategic plan aimed at strengthening its position in the area of investment banking and trading services for corporate and entrepreneurial customers. The acquisition enables to insource key competencies, in particular as regards derivatives and market making, and to expand the strategic advisory services provided to SMEs, in line with entrepreneurial customers' growing demand.

IFRS 3 regulatory provisions and the PPA process

The acquisition of Intermonte Group falls within the scope of application of IFRS 3 and was accounted for using the purchase method.

IFRS 3 requires that a business combination or acquisition of a business unit be accounted for using the purchase price allocation method. This method involves a series of steps, summarised below:

1. identifying the acquirer and determining the acquisition date;
2. determining the cost of the combination (**Purchase Price**);
3. allocating the cost of the combination (**PPA – Purchase Price Allocation**) to:
 - a) the assets and liabilities acquired and the contingent liabilities based on their fair value, which may differ from that at their pre-combination carrying amounts;
 - b) any implicit intangible assets not previously recognised in the pre-combination balance sheet;
 - c) goodwill, on a residual basis (the "**Goodwill**").

IFRS 3 allows that a business combination be initially accounted for provisionally and grants the acquirer a period of 12 months to obtain the information necessary to identify and measure the items required for the definitive recognition of the business combination, thereby adjusting the provisional amounts retroactively to the acquisition date.

In this regard, it should be noted that the overall results of the PPA process already presented in the Half-yearly Consolidated Financial Statements were fully confirmed.

The **stages of the PPA process** are illustrated here below.

The **acquisition date** pursuant to IFRS 3 was determined as 31 January 2025, the date of completion of the transaction and transfer of control by the Offeror. In line with the accounting practice, the reference date for the measurement of assets and liabilities was however backdated to 1 January 2025. As provided for by IFRS 3 BC 110, for the purposes of the PPA process and the first consolidation in the Banca Generali Banking Group, it was decided to refer to the consolidated financial position as per the consolidated financial statements of Intermonte Group at 31 December 2024, approved by Intermonte's Board of Directors on 15 April 2025. Such data were more complete and reliable than those that could be inferred from the Group's periodic management report referring to January 2025.

In this regard, it should be noted that the backdating of the consolidation to 1 January 2025 had an effect of about one million euros at the level of Banca Generali Group's profit and loss account and net equity and therefore had no material effects on the PPA process fairness or on Banca Generali Group's profit and loss result.

With regard to determining the **cost of the combination**, IFRS 3 establishes that the consideration transferred in a business combination must be determined on the basis of the fair value, at the acquisition date, of the assets transferred by the acquirer to the previous shareholders of the acquiree, the liabilities incurred by the acquirer for those entities and the interests issued by the acquirer.

In the case at hand, the overall cost of the combination totalled **97.7 million euros**, which is the sum of:

- › **93.6 million euros**, equal to the cash consideration paid to acquire 95.325% of Intermonte's share capital;
- › **4.1 million euros**, equal to the cash consideration paid to acquire 4.146% of the residual shares;
- › **0.01 million euros**, equal to the value of the shares already held by Banca Generali (0.008%).

Purchase Price Allocation (PPA)

Intermonte Group's consolidated assets and liabilities not classifiable as intangible assets were essentially recognised at their previous carrying amounts, since no significant divergences from their fair value at the closing date of the transaction were identified.

In detail, no significant deviations emerged with regard to the carrying amount of financial assets and liabilities measured at fair value, whereas assets and liabilities measured at amortised cost were short-term and thus their carrying amount was deemed representative of their fair value.

Lease liabilities were not restated, as the property will be disposed of by 2027.

As regards **intangible assets that had not been previously recognised**, the following items were identified and reported:

- › Customer Relationships, for a total amount of 5.0 million euros relating to:
 - Trading Room, for a total amount of 4.4 million euros and with a useful life of 10 years;
 - Corporate Broking, for a total amount of 0.6 million euros and with a useful life of 9 years;
- › Trademarks, for a total amount of 6.0 million euros and with an indefinite useful life, relating to:
 - Intermonte, for 5.5 million euros;
 - Websim, for 0.5 million euros;
- › Proprietary Software (trading algorithms), for a total amount of 0.2 million euros and with a useful life of 5 years.

The total value of the intangible assets identified was **11.2 million euros**, gross of deferred tax liabilities and the portion attributable to minority interests.

The **Additional Tier 1 (AT1) instrument** issued by Intermonte SIM, for an amount of 5.0 million euros, albeit classified within Intermonte's net equity pursuant to IAS 32 (Item 140. Equity instruments), was not included in Intermonte Group's net equity to be compared with the acquisition cost, as this instrument was not subject to the public tender offer launched by Banca Generali, which had been related exclusively to Intermonte ordinary shares. At the closing of the transaction, this instrument continued to be accounted for as a financial instrument subscribed by third parties. As a result, as part of the PPA process, it was recognised among "Other non-controlling interests" to be accounted for at fair value pursuant to IFRS 3. As regards the determination of fair value, it was decided to confirm its carrying amount as per Intermonte SIM's financial statements, since it is an unlisted instrument.

Intermonte Group's IFRS 2 reserves representative of the share-based payment plans activated in support of the Financial Group's remuneration policies were also assimilated to Other non-controlling interest.

In this regard, it should be noted that these plans were maintained in all their essential features, with the sole addition of the provision for payment in Banca Generali shares rather than in Intermonte Partners SIM shares, which were already delisted.

In addition, certain transactions on Intermonte Group's capital (exercise of stock options) carried out between 1 January 2025 and the date of completion of the public tender offer were sterilised.

Goodwill measurement

For the purposes of accounting for the acquisition, the cost of the combination, amounting to **97.7 million euros**, was first compared with Intermonte's consolidated net equity at the reference date.

Intermonte's consolidated net equity at 31 December 2024 was assumed at **38.4 million euros**, net of third-party net equity for accounting purposes, net of the Additional Tier 1 instrument issued by the operating company Intermonte SIM S.p.A. and not subject to the public tender offer, IFRS 2 reserves and other transactions previously identified.

In this acquisition's purchase price allocation, the difference between the consideration paid by Banca Generali and Intermonte Group's adjusted net equity (38.4 million euros) at the acquisition date, totalling **59.3 million euros**, was therefore allocated as follows:

- › **11.2 million euros** to the value of intangible assets, consisting of contractual customer relationships, trademarks and software;
- › **-3.3 million euros** to the provision for deferred taxes associated with the aforementioned intangible assets;
- › **1.0 million euros** to the portion of the above-mentioned intangible assets and liabilities attributable to minority interests;
- › the residual amount of **52.4 million euros** to the goodwill attributable to Intermonte Group.

Acquisition consideration	97,679
Intermonte Group's net equity for accounting purposes at 31 December 2024	53,737
Net equity for accounting purposes attributable to minority interests	-9,423
Other non-controlling interests: AT1 instruments	-5,000
Other non-controlling interests: Intermonte SIM's IFRS 2 reserves (non-controlling interest)	-892
Other capital transactions (exercise of stock options, allotment of Intermonte shares)	-45
Net equity of the acquiring group	38,377
Provisional goodwill	59,302
- <i>Intangible assets recognised (customer relationships, trademarks, software)</i>	<i>11,171</i>
- <i>DTLs on intangible assets</i>	<i>-3,303</i>
- <i>Portion of net equity attributable to minority interests</i>	<i>-1,018</i>
PPA	6,850
Goodwill	52,452

1.2 Acquisition of Aequitum

On 31 October 2025, BG (Suisse) Private Bank S.A. finalised the acquisition of a 100% interest in Aequitum Holding S.A. and, indirectly, of the latter's fully owned Aequitum S.A.; both companies were based in Lugano.

The acquisition of Aequitum Group is aimed at strengthening and expanding the footprint of BG Suisse and Banca Generali Group in the Swiss market. In detail, founded in 2006, Aequitum S.A. is a registered Alternative Investment Fund Manager (AIFM) specialised in asset management with approximately CHF 737 million managed assets that offers its customers — households, entrepreneurs and institutions — wealth management, advisory and family office services, as well as, to a lesser extent, portfolio management solutions.

At the acquisition date, Aequitum Group's assets amounted to CHF 1.8 million and its revenues for the first 10 months of 2025 stood at CHF 2.6 million (CHF 3.2 million for 2024 on an annual basis). Its overall workforce numbered 7, including the founders.

The parties agreed upon a maximum amount for the transaction consideration of CHF 5.65 million, to be paid as follows:

- a) CHF 4.2 million paid up-front at the closing date;
- b) a maximum earn-out amount of CHF 1.45 million, to be paid based on the achievement of specific profitability growth targets, measured at 31 December 2027.

Subsequent to the acquisition, also with a view to rationalising the governance structure, BG Suisse carried out the reverse merger of Aequitum Holding into Aequitum S.A., to then merge the latter into BG Valeur S.A., which changed its company name into BG Aequitum S.A.

Following receipt of the authorisation of the competent Swiss Supervisory Authority (i.e., FINMA), these transactions were completed on 24 December 2025, with registration in the relevant Swiss Registries of Companies and with accounting and tax effect retroactive from 31 October 2025.

The acquisition of Aequitum Group also falls within the scope of application of IFRS 3 and was accounted for using the purchase method. Reference should therefore be made to the general considerations already set out with regard to the acquisition of Intermonte.

The **acquisition date** pursuant to IFRS 3 was determined as 31 October 2025, which is also the reporting date of two acquirees' last financial statements.

The cost of the combination was determined to be **CHF 4,524.6 thousand**, including the up-front payment and a portion of the earn-out equal to **CHF 324.6 thousand**, calculated based on a prudent assessment of the expected level of achievement of objectives.

In these transactions' purchase price allocation, the consolidated assets and liabilities of the companies not classifiable as intangible assets were essentially recognised at their previous carrying amounts, except for the supplementary pension plan for the companies' employees that, under the local pension legislation (LLP), provides for mandatory supplementary pensions upon meeting pension requirements or an unfavourable event (death or disability). This plan, which under the local legislation qualifies as a defined contribution plan, is considered a defined benefit plan for the purposes of IAS 19 and entailed the recognition of a liability of **CHF 1,625 thousand**, in addition to DTAs amounting to **CHF 253 thousand**.

As regards **intangible assets that had not been previously recognised**, customer relationships totalling **CHF 4,200 thousand** were identified and reported, net of the related **CHF 379 thousand** DTLs. The value of the trademark was deemed not material and was not recognised.

At the acquisition date, Aequitum Groups' net equity for accounting purposes, calculated based on the applicable accounting standards, amounted to **CHF 958 thousand**, whereas its net equity adjusted for the PPA effects amounted to **CHF 1,611 thousand**.

The difference between the cost of the combination and Aequitum Group's adjusted net equity at the acquisition date resulted in the recognition of a goodwill of 3,144 thousand euros, as shown in detail in the following table.

	CHF (THOUSAND)	EUROS (THOUSAND)
Acquisition consideration	4,524.6	4,883.3
Aequitum's consolidated net equity	958.0	1,034.0
Recognition of customer relationships	2,400.0	2,590.3
Recognition of IAS 19 defined benefit plans	-1,625.7	-1,754.5
Recognition of DTAs and DTLs	-121.0	-130.5
Adjusted net equity	1,611.4	1,739.1
Goodwill	2,913.2	3,144.1

In addition, it should also be noted that, following the change of BG Valeur's company name into BG Aequitum, the intangible asset with an indefinite useful life related to the Valeur trademark was written off for 427 thousand euros. At the same time, the intangible asset referring to the latter's customer relationships was written down by 872 thousand euros, following the partial outflow of total assets managed, occurred in 2025.

Section 2 – Transactions after the end of the reporting period

No new business combination transactions were undertaken after 31 December 2025 and until the date of approval of the Consolidated Financial Statements.

However, it should be noted that, in early 2026, a strategic project was completed to reorganise Intermonte Group with the aim of streamlining the ownership structure, the decision-making processes and the operating management. The project provided for:

- › the merger of Intermonte Partners SIM into the parent company Banca Generali; and
- › the repurchase of all the minority interests still held by third parties.

In detail, the merger of Intermonte Partners SIM into the parent company Banca Generali was finalised on 23 February 2026, with retroactive effects for accounting and tax purposes from 1 January 2026.

This transaction, which qualified as a simplified merger pursuant to Article 2505 of the Italian Civil Code, was approved by the Boards of Directors of the companies in question at the end of September 2025, and received the prior authorisation by the Bank of Italy on 17 December 2025. The merger project was finally approved by the Boards of Directors of the two companies in January 2026 and the merger deed was signed on 19 February 2026.

The transaction qualified as a business combination between entities under common control and was therefore accounted for in accordance with the principle of the continuity of values of the transferred assets and liabilities on the basis of the carrying amounts indicated in Banca Generali's 2025 Consolidated Financial Statements. As a result, it did not have any effects on the 2026 Consolidated Financial Statements.

On 15 January 2026, Banca Generali also purchased the minority interests in Intermonte SIM S.p.A. held by Generali Italia S.p.A. (11.6%) and ICCREA Banca S.p.A. (1.34%), for a total amount of 15,060 thousand euros, therefore achieving full control over the company.

This transaction allowed to eliminate net equity attributable to minority interests recognised at consolidated level at 31 December 2025, amounting to 10.5 million euros, and led to the recognition of a negative net equity reserve of 4.6 million euros.

Section 3 – Retrospective adjustments

No retrospective adjustments to business combinations carried out by the Banking Group in previous years were undertaken in 2025 pursuant to paragraphs 61 and B7 of IFRS 3.

The latter provision also requires that the amount of goodwill during the year be reconciled, including an indication of any impairment of goodwill recognised.

Consolidated goodwill has been generated over time after the following business combinations:

- › merger of subsidiary investment firms Prime Consult SIM S.p.A. and INA SIM S.p.A. into Banca Generali carried out in 2002;
- › acquisition of Banca del Gottardo Italia S.p.A. in 2008, subsequently merged into BSI Italia, and then into the parent company Banca Generali in 2010;
- › acquisition of BG Fiduciaria in 2006, subsequently merged into the parent company Banca Generali with effect from 1 January 2018;
- › Bank's acquisition at the end of 2014 of the Italian Affluent and Upper Affluent private banking operations of Credit Suisse Italy S.p.A.;
- › acquisition of Nextam Partners Group on 25 July 2019;
- › acquisition of BG Valeur S.A. on 15 October 2019;
- › acquisition of the retail banking business unit of the Italian branch from Binck Bank N.V., a Dutch lending institution owned by Saxo Bank Group, on 16 October 2021;
- › acquisition of Intermonte Group on 31 January 2025;
- › acquisition of the Swiss Aequitum Group by BG Suisse on 31 October 2025.

At 31 December 2025, the Banking Group's goodwill totalled 143.7 million euros, broken down as follows:

(€ THOUSAND)	YEAR OF CONSOLIDATION	31.12.2025	31.12.2024
Merger of Prime Consult SIM and INA SIM	2002	2,991	2,991
Acquisition of BG Fiduciaria SIM S.p.A.	2006	4,289	4,289
Acquisition of Banca del Gottardo Italia	2008	31,352	31,352
Acquisition of Credit Suisse Italy's business unit	2014	27,433	27,433
Acquisition of Nextam Group	2019	12,202	12,202
Acquisition of Binck Bank Italy business unit	2021	1,100	1,100
Total goodwill of Banca Generali		79,367	79,367
Acquisition of BG Valeur S.A.	2019	8,706	8,706
Acquisition of Aequitum S.A. (merged into BG Valeur)	2025	3,144	-
Acquisition of Intermonte	2025	52,451	-
Total goodwill of the Banking Group		143,668	88,073

Impairment test

In accordance with IAS 36, goodwill is no longer amortised, but is reviewed at least annually for impairment.

For the purposes of impairment testing, goodwill must be allocated to cash-generating units (CGUs), which, in accordance with the limitation on the maximum level of aggregation, may be no larger than the operating segments identified for management reporting purposes, pursuant to IFRS 8.

In this regard, it should be noted that, as of 1 January 2024, a new reorganisation of the Financial Advisor Networks was implemented, which also led to a review of the operating segments identified by the corporate management for purposes of management reporting.

In detail, the new organisation of the BG Network provides for the following:

- › the creation of a new **Senior Partner Network** (hereinafter "SP"), consisting of Financial Advisors with assets under management of more than 150 million euros and teams with assets under management of more than 350 million euros;
- › the incorporation of the Private Banking and Wealth Management Networks into the new **Private & Wealth Network** (hereinafter "PB"), within the framework of which, however, the organisational structures of the former networks retained some of their peculiarities, under the supervision of a new top management position, the Network Sales Manager, focused on local coordination and commercial guidance of the various network's Area Managers.

It should be recalled that, following the previous reorganisation implemented as of 1 January 2018, the networks of non-employed Financial Advisors had been revised according to specialisation and reorganised into two macro-divisions on the basis of the total AUM managed by each Financial Advisor:

- › the Wealth Management network, which grouped together Financial Advisors in the highest asset bracket (i.e., with AUM of more than 50 million euros);
- › the Private Banking network, which included all other Financial Advisors.

As a consequence, for the purpose of impairment testing pursuant to IAS 36, the CGUs and the related operating segments were redefined in the previous year, reviewing the allocation of goodwill and the carrying amount of the new operating segments.

In particular, upon the reallocation, the goodwill relating to Italian assets was reallocated to the new SP and PB operating segments based on their profitability, represented by the banking income generated in 2024.

(€ THOUSAND)	PB SEGMENT	SP SEGMENT	TOTAL
Net banking income of the segment (*)	790,186	100,164	890,350
AUM at 31.12.2024	85,504,000	17,508,000	103,012,000
Average AUM 2024	80,643,451	16,558,227	97,201,678
Ratio of net banking income on average AUM	0.98%	0.60%	0.92%
Goodwill Italy	70,438	8,929	79,367

(*) It includes fee provisions for sales and recruitment incentives and provisions for incentives for sales personnel (RMs).

Goodwill and other intangible assets (customer relationships and trademarks) attributable to the acquisition of BG Valeur had been fully allocated to the PB segment, in light of the type of activities carried out by said company. The other intangible assets related to the Italian business combinations had also been allocated to the PB segment, as falling outside the scope of the SP network's distribution activity.

As regards the acquisitions undertaken in 2025, the following approach was adopted.

Aequitum Group's activities similar in nature to those already carried out by BG Valeur were allocated to the PB segment. Intangible assets related to such activities amounted to 5.7 million euros at 31 December 2025, of which 3.1 million euros related to goodwill and 2.5 million euros to other intangible assets (customer relationships).

Intermonte Group is a leading independent broker that provides investment banking services to SMEs and institutional investors in Italy and worldwide. In particular, the Group offers capital markets and M&A advisory and corporate brokerage services, in addition to equity research, sales and trading of derivatives, ETFs and bonds, and market making services.

As these activities are mainly addressed to institutional investors and are similar to certain trading activities carried out by Banca Generali's Finance Area, they were allocated to the Corporate Center operating segment.

Intangible assets related to such activities amounted to 62.9 million euros at 31 December 2025, of which 52.5 million euros related to goodwill, 6.0 million euros to trademarks (Intermonte, Websim) and 4.5 million euros to other intangible assets (customer relationships).

Definition and identification of operating segments¹⁹

The “**Senior Partner**” operating segment (hereinafter the “**SP**” operating segment) consists of the assets attributable to the specific Financial Advisor Network managing AUM of more than 150 million euros and teams with assets under management exceeding 350 million euros.

At 31 December 2025, this operating segment included 115 Senior Partners managing assets amounting to 19.8 billion euros, with net banking income of 85 million euros and an estimated net result of 33 million euros.

The goodwill allocated to the SP segment amounted to 8.9 million euros, while the total carrying amount of the assets relating to the operating segment was equal to 142.4 million euros, including the figurative capital allocated, determined based on the RWAs and the gross amount of prepayments relating to costs for obtaining contracts, recognised pursuant to IFRS 15.

The “**Private Banking**” operating segment (hereinafter the “**PB**” operating segment) consists of the assets attributable to the other networks of Financial Advisors (Private Bankers, Wealth Managers and Financial Planners), to the Relationship Manager Network and their customers, in addition to assets held in Switzerland.

At 31 December 2025, this operating segment included 2,303 Financial Advisors managing assets amounting to 92.7 billion euros, with net banking income of over 685 million euros and an estimated net result of more than 264 million euros.

¹⁹ On this regard, see also Part L – Segment Reporting of these Notes and Comments and the corresponding chapter of the Consolidated Annual Integrated Report.

The goodwill allocated to the PB segment amounted to 82.3 million euros, while the total carrying amount of the assets relating to the operating segment was equal to 603.7 million euros, including the intangible assets (customer relationships) resulting from business combinations²⁰, the figurative capital allocated, determined based on the RWAs and the gross amount of prepayments relating to costs for obtaining contracts, recognised pursuant to IFRS 15.

The Corporate Center segment (hereinafter the “**CC**” operating segment), includes all assets related to Intermonte’s activities, as well as Banca Generali’s activities regarding trading for own account (BG Finance), trading on behalf of third parties exclusively for BGFML’s institutional customers, the Insurbanking project and a portion of residual activities not directly attributable to the networks of Financial Advisors.

At 31 December 2025, this segment included managed assets amounting to 8.3 billion euros, with net banking income of over 230 million euros and an estimated net result of more than 148 million euros.

The goodwill allocated to the CC segment amounted to 52.5 million euros, while the total carrying amount of the assets relating to the operating segment was equal to 403.8 million euros, including the intangible assets (customer relationships and trademarks) resulting from the merger of Intermonte and the figurative capital allocated, determined based on the RWAs.

SEGMENTS' CARRYING AMOUNT	PRIVATE BANKING SEGMENT	SENIOR PARTNER SEGMENT	CORPORATE CENTER SEGMENT	TOTAL
Goodwill	82,289	8,929	52,451	143,669
Intangible assets (customer relationships)	13,410	-	10,494	23,904
Accrued expenses and deferred income	148,671	49,994	8,529	207,194
Figurative capital (RWAs)	359,324	83,465	332,333	775,121
Total	603,693	142,387	403,807	1,149,888

Approach to determining the values of the CGUs

To determine the recoverable amount, both market assessments (to calculate fair value) and basic methodologies (to calculate value in use) were considered.

Value in use was calculated by employing an analytical method (used as the main method), whereas fair value was calculated by employing an empirical method (used as the control method).

In detail, the analytical method employed was the Dividend Discount Model (DDM), specifically the Excess Capital variant of said model, on the basis of which the value of an asset is a function of:

- current value of future cash flows generated within a specific time period and available for distribution to shareholders (dividends);
- the perpetual capitalisation of the expected normalised dividend from the final year of the financial plan of reference, on the basis of a payout consistent with ordinary profitability.

The control method employed was the comparable market multiples method.

The operating and financial projections for the operating segments were based on the 2026-2028 Plan's forecast data.

The expected long-term growth rate after the explicit forecasting period employed to calculate the terminal value (perpetual yield) was set at **2%**, in line with the International Monetary Fund's (IMF) last estimates for Italy.

The **cost of capital** used to discount cash flows was **9.4%** for the PB and SP segments, slightly up compared to the previous year (**9.3%**), and 9.5% for the CC segment. This ratio was established by applying the Capital Asset Pricing Model (CAPM), on the basis of the following assumptions:

- risk-free rate of **3.5%**, equivalent to the annual gross return on 10-year BTPs (Italian government bonds) at 31 December 2025 (3.4% in 2024);
- market risk premium of **5.5%**, established on the basis of the difference in long-term yields between equity securities and bonds on international financial markets;
- a value of **1.08** assigned to the beta coefficient measuring the extent to which the performance of any given stock is likely to depart from market trends, and determined on the basis of a sample of comparable companies, duly weighted for their respective market capitalisation values (1.09 for the CC segment).

The figurative capital allocated to each operating segment was calculated by applying to its projected RWAs the Total Capital Ratio (TCR) expected in a stress scenario that the Supervisory Authority communicated to Banca Generali for 2026 following the SREP and which included a 14.9% combined capital buffer.

²⁰ These are in particular customer relationships arising from the acquisition of BG Valeur, Aequitum, Nextam Partners and the Credit Suisse Italy business unit.

The value analyses of the aforementioned CGUs carried out by the Bank as at 31 December 2025, as part of the impairment test, were supported by a fairness opinion issued by a major consulting firm and submitted for approval to Banca Generali's Board of Directors on 11 February 2026.

Outcome of the impairment tests

Impairment tests carried out on the CGUs in question did not indicate any goodwill impairment.

The value according to the analytical method exceeded the carrying amounts of the CGUs, inclusive of intangible assets, goodwill and capital allocated.

The analyses performed for the three operating segments are detailed below.

In particular, the **SP** operating segment's carrying amount was **142.4** million euros, while the value in use obtained by applying the analytical method described above amounted to a minimum of **287** million euros and a maximum of **344** million euros, with an average value of **313** million euros.

The **PB** operating segment's carrying amount was **603.7** million euros, while the value in use obtained by applying the analytical method described above amounted to a minimum of **2,751** million euros and a maximum of **3,328** million euros, with an average value of **3,011** million euros.

The **CC** operating segment's carrying amount was **404.8** million euros, while the value in use obtained by applying the analytical method described above amounted to a minimum of **1,488** million euros and a maximum of **1,791** million euros, with an average value of **1,624** million euros.

	FIGURATIVE CAPITAL	GOODWILL	OTHER INTANGIBLE ASSETS	IFRS 15-RELATED COSTS OF OBTAINING A CONTRACT	CARRYING AMOUNT AT 31.12.2025	RECOVERABLE AMOUNT AT 31.12.2025			EXCESS VS CARRYING AMOUNT
						MIN	MID	MAX	
PB segment	359.3	82.3	13.4	148.7	603.7	2,751.5	3,011.2	3,328.7	2,407.5
SP segment	83.5	8.9	0.0	50.0	142.4	287.2	313.0	344.5	170.6
CC segment	332.3	52.5	10.5	9.5	404.8	1,487.9	1,624.2	1,790.6	1,219.4
Total	775.1	143.7	23.9	208.2	1,150.9	4,526.6	4,948.4	5,463.8	3,797.5

The test performed using the control method based on market multiples also confirmed that the carrying amount remained largely stable in both cases.

In accordance with IAS 36, paragraph 134(f), and in order to capture the heightened uncertainty during the current period and respond to the needs arising from the regulatory context, sensitivity analyses were conducted as a function of the change in the parameters cost of capital (Ke), long-term growth rate and CET1 ratio.

- › Ke +/-0.5%;
- › g +/-0.25%;
- › CET1 +/-1.0%.

In particular, for the sensitivity analysis conducted as a function of the parameters cost of capital (Ke) and long-term growth rate, the ranges of variation used were 8.9%-9.9% and 1.8%-2.3%, respectively, whereas for the sensitivity at the level of CET1 the range of variation identified was between 13.9% and 15.9%.

In addition, it should be noted that the impairment test conducted at the level of the Consolidated Financial Statements also included a test of the value of the goodwill and intangible assets recognised in Banca Generali S.p.A.'s Separate Financial Statements.

PART H – RELATED PARTY TRANSACTIONS

Procedural aspects

In accordance with Article 2391-*bis* of the Italian Civil Code, the Consob Regulation containing provisions relating to transactions with related parties²¹ and the provisions of Part III, Chapter 11, of Bank of Italy Circular No. 285 of 2013, as further amended, Banca Generali's Board of Directors approved its "Policy for Transactions with Related Parties, Connected Parties and Corporate Officers pursuant to Article 136 of TUB", which was lastly updated on 22 June 2023 and entered into effect on 1 July 2023. The Policy is intended to implement Consob and Bank of Italy regulations, by adopting, at the Banking Group level, rules on transactions with Banca Generali's related parties and connected parties governing the related preliminary activities, approval, reporting and disclosure activities.

Moreover, since Banca Generali Group belongs to Generali Group, any and all transactions effected with related parties of the parent company Assicurazioni Generali must be identified and managed in accordance with the provisions of the procedures adopted by Assicurazioni Generali in such regard, with the result that, in certain cases, said transactions may be subject to prior approval by the Parent Company, where necessary.

The related party perimeter

Based on Consob Regulation, the Provisions issued by the Supervisory Authority, and the aforementioned Policy, the following parties are considered as Banca Generali's related parties:

- › subsidiaries of the Banking Group;
- › the ultimate parent Assicurazioni Generali S.p.A., its subsidiaries (companies subject to common control), including the direct parent Generali Italia S.p.A., and pension funds established for the benefit of Generali Group companies' employees;
- › Managers with Strategic Responsibilities of the Bank and the parent company Assicurazioni Generali (Key Managers), close relatives of the said personnel and the related relevant subsidiaries (entities in which one of these persons exercises control, joint control or significant influence or holds, directly or indirectly, a significant shareholding of no less than 20% of the voting rights).

Under IAS 24, whose revised version is in force since 1 January 2011, the associate companies of the Banking Group and Generali Insurance Group are also considered related parties.

With specific regard to **Key Managers**, the following persons have been designated as such:

- › the Directors and the members of the Board of Statutory Auditors of the Banking Group's companies;
- › the members of the Top Management, as defined in the Remuneration Policies of the Banking Group²², namely the Chief Executive Officer/General Manager and the two Deputy General Managers²³;
- › top managers of the parent company Assicurazioni Generali S.p.A. identified as Managers with Strategic Responsibilities in the corresponding procedure regarding transactions with related parties adopted by the Insurance Group.

Significance thresholds of Related Party transactions

The procedure lays down specific provisions on decision-making authority, obligation to provide justification and documentation to be prepared depending on the type of transaction.

More specifically:

- › **Transactions of Greater Importance** — i.e., transactions exceeding the threshold of 5% of at least one of the significance indicators of the countervalue of the transaction or of the assets, as provided by Consob Resolution No. 17221, reduced to 2.5% for transactions carried out with the listed Parent Company or with undertakings thereto related which are in turn related to the Company — must be approved by the Board of Directors, upon the binding favourable opinion of the Internal Audit and Risk Committee;
- › **Transactions of Lesser Importance** — i.e., transactions with related parties the amount of which falls between that of Transactions of Small Amount and that of Transactions of Greater Importance — are approved pursuant to the system of delegated powers in force from time to time, only after hearing the non-binding opinion of the Internal Audit and Risk Committee. The aforesaid transactions must be presented with a full and in-depth information about the reasons underlying each and every transaction in question, as well as the fairness and substantive correctness of the related terms and conditions;
- › **Transactions of Small Amount** — i.e., transactions whose value, defined pursuant to the Bank of Italy's Provisions, cannot exceed the amount of 250,000 euros for banks with Own Funds below 1 million euros — are excluded from the scope of application of the approval and disclosure transparency rules.

In addition to Transactions of Small Amount, in accordance with Consob Regulation, there are additional circumstances which are not subject to the specific approval procedures:

- › **remuneration plans based on financial instruments** approved by the General Shareholders' Meeting within the meaning of Article 114-*bis* of TUF, and related implementing transactions;

²¹ Adopted by Consob Resolution No. 17221 of 12 March 2010, as further amended.

²² Banking Group's Remuneration and Incentive Policies approved by the General Shareholders' Meeting on 17 April 2025.

²³ Chief Executive Officer/General Manager, Deputy General Manager Wealth Management Markets and Products, Deputy General Manager Commercial Networks, Alternative and Support Channels.

- › **resolutions on the remuneration of Directors** entrusted with specific tasks other than those determined on an overall basis pursuant to Article 2389, paragraph 3, of the Italian Civil Code and **resolutions regarding the remuneration of Managers with Strategic Responsibilities**, provided that the Company has adopted a remuneration policy with certain characteristics;
- › **ordinary transactions** carried out during the normal course of operating activities and the related financial activities, and that are concluded at market or standard equivalent conditions. Pursuant to the Bank of Italy's provisions, all transactions that exceed the threshold set for Transactions of Greater Importance, even if concluded at market or standard equivalent conditions, should be considered as extraordinary transactions;
- › **transactions with or between Subsidiaries and Associates**, provided that none of the Company's other related parties holds any significant interest in the Subsidiaries or Associates in question.

On the basis of the indicator consisting of the consolidated Own Funds, the threshold of Transactions of Greater Importance currently stands at around **51.8 million euros**, reduced to **25.8 million euros** for transactions with the parent company Assicurazioni Generali and the latter's related entities.

Moreover, the provisions issued by the Bank of Italy impose prudential limits, based on Own Funds, on risk assets in relation to Connected Parties. The limits vary according to the different types of Connected Parties, in proportion with the level of involvement in the relationship and the potential impact of the resulting risks on sound and prudent management. In light of the greater risks associated with conflicts of interest in bank-industry relations, more stringent limits are envisaged for risk assets with regard to entities qualifying as non-financial related parties. Exposure in respect of the Generali Group's connected parties, on the other hand, is capped at **7.5%** of consolidated Own funds.

Even if the aforesaid consolidated cap is not exceeded, Banca Generali's exposure in respect of any given group of connected parties may in no event exceed **20%** of individual Own Funds.

1. Disclosure of remuneration of Directors and Executives

As required by IAS 24, the total remuneration recorded in the Profit and Loss Account for the year is disclosed below, broken down by personnel category and type.

(€ THOUSAND)	2025				2024	CHANGE
	DIRECTORS	STATUTORY AUDITORS	MANAGERS WITH STRATEGIC RESPONSIBILITIES	TOTAL		
Short-term benefits (current remuneration and social security charges) ⁽¹⁾	2,210	535	2,563	5,308	4,462	846
Post-employment benefits ⁽²⁾	-	-	359	359	333	26
Other long-term benefits ⁽³⁾	-	-	523	523	523	-
Termination indemnity	-	-	-	-	-	-
Share-based payments ⁽⁴⁾	-	-	1,995	1,995	1,983	12
Total	2,210	535	5,440	8,185	7,302	883
Total at 31.12.2024	1,739	283	5,280	7,302	-	-

(1) Includes current remuneration and the related social security charges payable by the Company and the portion of short-term variable remuneration.

(2) Includes the Company's pension fund contribution and allocation to the provisions for termination indemnity provided for by the law and company regulations.

(3) Includes the deferred portion of variable remuneration for the year and the previous years accrued in the year based on the vesting period.

(4) Includes the estimated cost for share-based payment plans, determined based on IFRS 2 criteria and recognised in the financial statements.

The table presents the total expenses recognised in the Profit and Loss Account presented in the Consolidated Financial Statements on the basis of the application of international accounting standards (IAS/IFRS). It therefore also includes the social security charges for which the Company is liable, the allocation to the provisions for termination indemnity, the expenses associated with share-based payment plan determined in accordance with IFRS 2, and the estimate of the variable remuneration accrued during the year on the basis of the Remuneration and Incentive Policy for the Key Personnel of the Banking Group.

It should also be noted that the amounts are net of recoverable remuneration associated with services rendered to other companies.

In further detail, the item “Other long-term benefits” includes the estimate of the portion of variable remuneration for the year payable on a deferred basis over the following years, contingent upon specific access gate conditions being met, in accordance with the aforementioned Remuneration Policy.

The item “Short-term benefits” includes the fixed remuneration and the portion of variable remuneration accrued in the reporting year and payable in the following one.

For detailed information concerning Remuneration Policies, reference is made to the specific document concerning Remuneration Policies prepared as per Consob Resolution No. 18049 of 23 December 2011.

Charges for share-based payments refer to the portion of variable remuneration, both current and deferred, paid in Banca Generali shares. More specific details are provided in Part I to these Notes and Comments.

2. Disclosure on Related Party Transactions

As part of its ordinary business operations, Banca Generali carries out numerous financial and commercial transactions with related parties included in the scope of consolidation of Generali Group.

Banca Generali is a direct subsidiary of Generali Italia S.p.A., the holding of all the Insurance Group's operations in Italy. However, the company engaging in management and coordination activities pursuant to Article 2497 of the Italian Civil Code continues to be the ultimate Parent Company, Assicurazioni Generali S.p.A. This is the reason why reference is made to the latter when speaking of the “Parent Company” of Banca Generali, in compliance with IAS 24.

In the banking area, such activities include relationships referring to current accounts, the custody and administration of securities, stock brokerage and commercial portfolio collection.

As regards the distribution and offer of investment products, a number of agreements were established regarding the Financial Advisor Network's placement of asset management and insurance products, as well as banking products and services.

To a lesser extent, advisory and wealth management activities are also carried out, with reference to underlying assets of insurance products placed by the companies of the Insurance Group.

In addition, as part of its ordinary operations, the Bank also maintains relationships pertaining to outsourcing of IT and administrative services, insurance and leasing relationships, as well as other minor relationships with Generali Group companies.

Transactions with related parties outside Generali Group are mostly confined to direct and indirect funding and lending activities to Key Managers (and their relatives) of the Bank and its Parent Company. These transactions are carried out at market conditions. Banca Generali's direct investments in activities on which such related parties exercise significant influence or control are absolutely not material.

2.1 Extraordinary and non-recurring transactions

Unusual, atypical or extraordinary transactions

There were no atypical and/or unusual transactions to be reported in 2025, nor were such transactions undertaken with parties other than related parties such as intra-group entities or third parties.

Pursuant to Consob Notices Nos. 98015375 of 27 February 1998 and 1025564 of 6 April 2001, atypical and unusual transactions are defined as all transactions that due to their significance/materiality, the nature of the counterparties, the subject matter of the transaction (including in relation to ordinary operations), the transfer pricing method and timing of occurrence (near the end of the reporting period) may give rise to doubts as to the accuracy/completeness of the information presented in the financial statements, conflicts of interest, the safeguarding of company assets and the protection of minority shareholders.

Transactions of Greater Importance

In 2025, two transactions qualified as “Transactions of Greater Importance” were carried out, for which reference should be made to the dedicated section of the Consolidated Report on Operations.

Other significant transactions

Five transactions qualified as “Transactions of Lesser Importance” were approved in 2025. These transactions were subject to the prior non-binding opinion of the Internal Audit and Risk Committee; in this regard, reference is made to the dedicated section of the Report on Operations.

2.2 Ordinary or recurring transactions

The developments of ordinary transactions with related parties during 2025 are presented in the following sections.

Transactions with Assicurazioni Generali Group

Balance Sheet data

(€ THOUSAND)	SUBSIDIARIES AND ASSOCIATES OF THE INSURANCE GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	31.12.2025	31.12.2024	% WEIGHT 2025
Financial assets measured at fair value through profit or loss:	2,211	-	2,211	1,687	0.3%
c) other financial assets mandatorily measured at fair value	2,211	-	2,211	1,687	0.4%
Financial assets measured at amortised cost:	27,843	450	28,293	29,190	0.2%
b) loans to customers	27,843	450	28,293	29,190	0.3%
Equity investments	-	620	620	2,962	100.0%
Property, equipment and intangible assets	49,621	-	49,621	56,325	13.6%
Tax assets (AG tax consolidation)	14,417	-	14,417	1,717	7.7%
Non-current assets held for sale and disposal groups	-	1,508	1,508	227	100.0%
Other assets	197	-	197	350	0.0%
Total assets	94,289	2,578	96,867	92,458	0.5%
Financial liabilities measured at amortised cost:	434,528	3,418	437,946	322,660	2.8%
b) due to customers	334,447	3,418	337,865	322,660	2.2%
c) debt securities outstanding	100,081	-	100,081	-	100.0%
Other liabilities	2,215	-	2,215	2,682	0.7%
Equity instruments	100,000	-	100,000	100,000	95.2%
Total liabilities	536,743	3,418	540,161	425,342	2.9%
Guarantees issued	3,506	87	3,593	3,884	4.0%

The total exposure to the Parent Company, **Assicurazioni Generali**, of companies subject to its control, including the direct parent, Generali Italia S.p.A., and its associate companies, amounted to 94.3 million euros (88.8 million euros at the end of 2024), equal to 0.5% of Banca Generali Group's total balance sheet assets.

The item "Property and equipment" includes the net value of the rights of use (ROUs) of 49.6 million euros (relating primarily to the lease payments for the Milan and Trieste administrative offices and the commercial network offices), following the introduction of IFRS 16 with effect from 1 January 2019.

By contrast, the total debt position reached 536.7 million euros, accounting for 2.9% of total liabilities, up by 116.9 million euros (27.8%) compared to the end of the previous year, mainly due to the 100 million euro bond issued by Banca Generali in December 2025 and fully subscribed by the parent company Assicurazioni Generali.

As a result of the introduction of IFRS 16 with effect from 1 January 2019, amounts due to customers included 54.4 million euros due to the recognition of lease liabilities.

As part of assets, **financial assets mandatorily measured at fair value through other comprehensive income (FVOCI)** claimed from the parent company refer to Assicurazioni Generali shares held in the corresponding portfolio of Banca Generali.

Item "**Equity investments**" in associates subject to joint control or significant influence amounted to 0.6 million euros and included the equity investment in **Agorai Innovation Hub S.p.A.**, aimed at developing an applied and basic research hub and training centre on data science and advanced artificial intelligence, based in Trieste. Said company was incorporated on 11 April 2025 by several Generali Group companies, including Banca Generali, initially holding a 20.1% interest. On 27 November 2025, a reserved capital increase was approved that was subscribed by new institutional shareholders, which reduced the Group's equity investment to 49% and that of Banca Generali to just above 7.5%.

At 31 December 2025, the investment was however recognised among equity investments, in light of the significant influence that Generali Group continued to exercise by virtue of its stake and the representatives it has in the company's corporate bodies.

In addition, on 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, the Board of Directors authorised to exercise the put option provided for in the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026. Accordingly, the equity investment in BG Saxo SIM S.p.A., which in the previous year had been classified among equity investments in companies subject to joint control, was reclassified among **non-current assets held for sale recognising** an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

The sale of the equity investment in Nextam Partners Sim S.p.A., recognised among assets held for sale in the 2024 Financial Statement, was completed in July 2025.

Exposures to Generali Group companies recognised as **loans to customers** amounted to 27.8 million euros and refer to the following transactions:

COMPANY	TYPE OF RELATIONSHIP	TYPE OF TRANSACTION	31.12.2025		31.12.2024		AMOUNT CHANGE		REVENUE CHANGE	
			AMOUNT	REVENUES	AMOUNT	REVENUES	ABSOLUTE	%	ABSOLUTE	%
Alleanza Assicurazioni	Subsidiaries of AG Group	Operating loans	21,631	-	23,349	-	1,718	-7%	-	n.a.
Other companies of Generali Group	Subsidiaries of AG Group	Operating loans	5,980	-	5,047	-	933	18%	-	n.a.
Other companies of Generali Group	Subsidiaries of AG Group	Medium/ Long-term loans	226	13	375	91	149	n.a.	-78	-86%
Other exposures with Group companies	Subsidiaries of AG Group	Temporary exposures	6	67	4	5	2	50%	62	n.a.
Total			27,843	80	28,775	96	932	-3%	-16	-16.7%

Operating loans are comprised of transitional items including fees accrued over the last quarter for the distribution of insurance and financial products of Group companies.

Amounts receivable from the Parent Company and classified as **tax assets** consisted of Banca Generali S.p.A.'s net tax assets resulting from the balance between tax prepayments, withholdings and credits and the IRES tax calculated at the end of 2025.

Amounts due to customers attributable to Generali Group's related parties totalled 334.4 million euros at the end of the year compared to 317.6 million euros for the previous year and included amounts due to the parent company Assicurazioni Generali S.p.A. for current accounts totalling 55.7 million euros, and amounts due to Generali Italia S.p.A. for 65.6 million euros, in addition to lease liabilities arising from the lease contracts for the administrative offices and the commercial network offices for 54.4 million euros.

Item "**Debt securities outstanding**" includes the issuance of a 100 million euro preferred senior bond eligible for MREL purposes, fully subscribed by Assicurazioni Generali through a private placement. The issue, placed on 22 December 2025, has a maturity of 5 years and the issuer will be entitled to early redemption after 4 years of the date of issue; it has an annual coupon of 3.345%.

Pursuant to IAS 32, the Additional Tier 1 Perpetual bond — of which on 8 August 2024 Banca Generali finalised the new issue for a total aggregate amount of 100 million euros, fully subscribed by three Generali Group companies through a private placement — was reclassified to item "**Equity instruments**".

The issue meets the characteristics required by the current regulatory capital legislation for eligibility as Additional Tier 1 (AT1) capital instrument in the issuer's financial statements.

The perpetual bond issue envisages a non-cumulative half-yearly coupon to be paid as of February 2025 and that has been set at 6.7% per annum, to be subsequently reset every five years. In accordance with the applicable law and market practices, the issue is perpetual and the issuer will be entitled to early redemption only starting from the fifth year from the date of issue (8 August 2029), subject to prior authorisation from the Supervisory Authority and satisfaction of the conditions provided for by applicable legislation. A portion of this new issue was aimed at the redemption at par of the outstanding 50 million euro Additional Tier 1 bond — which occurred on 26 December 2024 after receiving the Supervisory Authority's authorisation —, while the remaining portion aims at achieving more flexible compliance with the higher requirements introduced by Basel IV for the Bank and the whole Italian and European banking sector effective as of 1 January 2025.

On 8 February 2025 and 8 August 2025, the half-year coupons of the bond subscribed in 2024 were paid for an amount of 3,350 thousand euros each.

In addition, a total of 3.5 million euro signature loans were granted to Generali Group companies, almost entirely to Citylife S.p.A.

Profit and Loss Account data

At 31 December 2025, the profit and loss components recognised in the Financial Statements with regard to transactions with Generali Group companies amounted to 230 million euros, or 35% of operating profit before taxation.

(€ THOUSAND)	SUBSIDIARIES AND ASSOCI- ATES OF THE INSURANCE GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2025	2024	CHANGE		
					AMOUNT	%	% WEIGHT 2025
Interest income	80	2	82	103	-21	-20.4%	0.0%
Interest expense	-9,101	-86	-9,187	-20,783	11,596	-55.8%	7.4%
Net interest income	-9,021	-84	-9,105	-20,680	11,575	-56.0%	-2.8%
Fee income	263,217	900	264,117	254,152	9,965	3.9%	21.2%
Fee expense	-1,735	-	-1,735	-1,560	-175	11.2%	0.3%
Net fees	261,482	900	262,382	252,592	9,790	3.9%	39.5%
Dividends	88	-	88	79	9	11.4%	1.7%
Operating income	252,549	816	253,365	231,991	21,374	9.2%	24.8%
Staff expenses	203	19	222	350	-128	-36.6%	-0.1%
General and administrative expenses	-15,300	-	-15,300	-14,432	-868	6.0%	5.2%
Net adjustments/reversals of property and equipment	-7,539	-	-7,539	-7,964	425	-5.3%	15.5%
Other net operating income	81	13	94	1,420	-1,326	-93.4%	0.1%
Net operating expenses	-22,555	32	-22,523	-20,626	-1,897	9.2%	6.2%
Operating result	229,994	848	230,842	211,365	19,477	9.2%	35.1%
Gains (losses) from the disposal of investments and equity investments	-	-2,413	-2,413	-171	-2,242	n.a.	99.6%
Operating profit	229,994	-1,565	228,429	211,194	17,235	8.2%	42.6%
Net profit (loss) for the year	229,994	-1,565	228,429	211,194	17,235	8.2%	51.1%
Net profit (loss) for the year attributable to the Parent Company	229,994	-1,565	228,429	211,194	17,235	8.2%	51.2%

Net interest income accrued in dealings with companies of the Insurance Group was negative at 9 million euros overall, accounting for 2.8% of the total amount recognised in the Profit and Loss Account.

Interest expense amounted to 9.1 million euros, equal to 7.4% of the total amount recognised in the Profit and Loss Account, and referred mainly to the interest expense on current accounts (7.7 million euros) and to interests accrued on the IFRS 16-related liability (1.4 million euros).

Fee income paid back by companies of the Insurance Group amounted to 263.2 million euros, equal to 21.1% of the aggregate amount and was broken down as follows:

	GENERALI GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2025	GENERALI GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2024	CHANGE	
							ABSOLUTE	%
Fees for the placement of UCITS	6,652	-	6,652	3,705	-	3,705	2,947	79.5%
Fees for distribution of insurance products	244,306	-	244,306	237,203	-	237,203	7,103	3.0%
Fees for distribution of discretionary mandates	2,696	-	2,696	1,718	-	1,718	978	56.9%
Institutional insurance portfolio management	9,519	-	9,519	9,600	-	9,600	-81	-0.8%
Other banking fees	44	900	944	73	1,853	1,926	-982	-51.0%
Total	263,217	900	264,117	252,299	1,853	254,152	9,965	3.9%

The most significant component consists of **fees for the distribution of insurance products** paid back by **Alleanza Assicurazioni S.p.A.**, which reached 244.3 million euros, up by 3.0% compared to the previous year.

Fees for the placement of units of UCITS of the Insurance Group were largely related to the fee income on the distribution of GI Focus funds, promoted by Generali Asset Management S.p.A. SGR.

Furthermore, Banca Generali advises on, or directly manages through portfolio management, a portion of the underlying assets of the Group's insurance products.

In this regard, in 2025 fee income for advisory services rendered to Alleanza Assicurazioni S.p.A., Generali Italia S.p.A. and GENAM SGR S.p.A. amounted to 9.5 million euros.

Other banking fees referred both to SDD collection activity on behalf of Group companies and current account keeping fees.

It should also be noted that Banca Generali renders trading and order collection services to Italian and international UCITS administered by management companies that belong to the Banking and Insurance Group. Such fees are generally charged directly against the assets of the UCITS, which are considered entities beyond the scope of IAS 24.

To hedge obligations towards the insured, the insurance wrappers of the Insurance Group companies (BG Stile Libero, Valore Futuro) also invest a portion of the reserves in UCITS units managed by the Banking Group's management company (BGFML), which receives the related management fees.

The Bank also directly collects from customers — through the correspondent bank — underwriting fees for the Sicavs promoted by the Group (Lux IM Sicav, BG Selection Sicav, Generali Investments Sicav).

Net operating expenses recognised in relation to transactions with related parties of Generali Group amounted to 22.5 million euros, accounting for 3.4% of the aggregate total, and referred to outsourced services in the insurance, leasing, administrative and IT areas.

	GENERALI GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2025	GENERALI GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2024	CHANGE	
							ABSOLUTE	%
Insurance services	3,322	-	3,322	3,091	-	3,091	231	7.5%
Property services	258	-	258	245	-	245	13	5.3%
Administration, IT and logistics services	11,640	-13	11,627	9,393	283	9,676	1,951	20.2%
Staff services	-204	-19	-223	-337	-13	-350	127	-36.3%
Depreciation of ROUs (IFRS 16)	7,539	-	7,539	7,964	-	7,964	-425	-5.3%
Total general and administrative expenses	22,555	-32	22,523	20,356	270	20,626	1,897	9.2%

Following the introduction of IFRS 16, property services relate solely to additional costs of leases and rentals of motor vehicles and ATMs (former condominium fees, VAT and sundry additional expenses).

Administrative expenses incurred in relation to Generali Italia S.p.A. amounted to 7.5 million euros and refer to insurance services for 3.1 million euros and, for the remainder, to administration and logistics services.

Expenses relating to IT, administration and logistics related chiefly to services rendered by Generali Italia (formerly Generali Business Solution S.c.ar.l.) on the basis of current outsourcing agreements.

The 7.5 million euro value adjustments of property and equipment refer to the depreciation of the IFRS 16-related right of use.

Transactions with other related parties

Exposure in respect of **Key Managers** of the Bank and its parent company Assicurazioni Generali referred to account overdraft facilities and residential mortgages subject to the same terms and conditions applied to similar mortgages held by other Executives of the Banking and Insurance Group.

Amounts due to such parties consist of the balances of the correspondent accounts they hold with Banca Generali and are regulated on the basis of conditions applicable to employees of the Banking and Insurance Group.

(€ THOUSAND)	ASSOCIATES AND MANAGERS WITH STRATEGIC RESPONSIBILITIES
Loans to customers	7,004
Amounts due to customers	19,225
Interest income	499
Interest expense	-255
Fee income	25
Guarantees issued	60

Direction and coordination

Pursuant to Article 2497-bis of the Italian Civil Code, Banca Generali is subject to Assicurazioni Generali S.p.A.'s "management and coordination" activities.

2024 highlights of Assicurazioni Generali

The highlights of the Parent Company Assicurazioni Generali S.p.A shown in the table below have been taken from the company's Financial Statements for the year ended 31 December 2024. These are available together with the Independent Auditor's Report as provided for by the law. Consequently, these figures of the Parent Company are not subject to audit performed by the auditing firm engaged by Banca Generali.

(€ MILLION)

2024

Net profit	3,689.9
Aggregate dividend	2,172
<i>Increase</i>	9.31%
Total net premiums	4,276
Total gross premiums	6,260.5
Total gross premiums from direct business	1,437.3
<i>Increase on equivalent terms ^(a)</i>	
Total gross premiums from indirect business	4,823.2
<i>Increase on equivalent terms ^(a)</i>	
Acquisition and administration costs	1,027.6
<i>Expense ratio ^(b)</i>	22.90%
Life business	
Life net premiums	901.8
Life gross premiums	1,532.9
<i>Increase on equivalent terms ^(a)</i>	
Life gross premiums from direct business	173.9
<i>Increase on equivalent terms ^(a)</i>	
Life gross premiums from indirect business	1,359.1
<i>Increase on equivalent terms ^(a)</i>	
Life acquisition and administration costs	165.3
<i>Expense ratio ^(b)</i>	18.30%
Non-life business	
Non-life net premiums	3,374.4
Non-life gross premiums	4,727.6
<i>Increase on equivalent terms ^(a)</i>	
Non-life gross premiums from direct business	1,263.4
<i>Increase on equivalent terms ^(a)</i>	
Non-life gross premiums from indirect business	3,464.1
<i>Increase on equivalent terms ^(a)</i>	
Non-life acquisition and administration costs	862.3
<i>Expense ratio ^(b)</i>	25.60%
<i>Loss ratio ^(c)</i>	68.1%
<i>Combined ratio ^(d)</i>	93.7%
Current financial result	4,646.9
Technical provisions	11,701.5
<i>Life segment technical provisions</i>	3,183.5
<i>Non-life segment technical provisions</i>	8,518.0
Investments	51,933.3
Capital and reserves	16,902

(a) At constant exchange rates.

(b) Ratio of administration costs to total premiums.

(c) Ratio of accrued claims to accrued premiums.

(d) Total (b) + (c).

PART I – PAYMENT AGREEMENTS BASED ON OWN EQUITY INSTRUMENTS

At 31 December 2025, the following payment agreements based on own equity instruments were in place:

- › the plans launched with respect to Banca Generali Group's Remuneration and Incentive Policy, in effect from time to time, which calls for a part of the variable remuneration of Key Personnel to be paid by assigning Banca Generali's own financial instruments;
- › the incentive schemes based on shares in favour of the employees of the subsidiary Intermonete SIM, activated following the acquisition of the investment firm and in line with its Remuneration Policy;
- › the plans launched in service of the Framework Loyalty Programme 2017-2026, approved by the General Shareholders' Meeting on 20 April 2017 and now in its fifth annual cycle (2021-2026), which calls for a maximum of 50% of the indemnity accrued to be paid using own financial instruments;
- › the LTI (Long Term Incentive) plans for the Banking Group's top managers, based on Banca Generali shares.

A. Qualitative information

1. Share-based payment plans linked to the variable component of remuneration based on performance objectives

The *Remuneration and Incentive Policy for the Key Personnel of Banca Generali Group* — adopted in compliance with the Supervisory Provisions²⁴ currently in force — requires a portion of the variable component of remuneration, both current and deferred, to be paid by assigning Banca Generali's own financial instruments, based on the rules annually submitted for approval to the General Shareholders' Meeting of the Bank.

In addition to Top Managers, who qualify as Managers with Strategic Responsibilities, Key Personnel includes employees with special managerial responsibilities, Financial Advisors who serve as network managers and Financial Advisors whose total remuneration is a particularly high amount.

As of 2022, if the variable component of the Key Personnel's remuneration exceeds 50 thousand euros and one third of ordinary remuneration, at least 40% of it is subject to deferred payment systems for a period of time of no less than four years and will be at least 50% paid in Banca Generali shares according to the following assignment and retention mechanism:

- › 60% of the bonus is paid up-front, normally by the first half of the year after that of reference, 50% in cash and 50% in Banca Generali shares, which will be subject to a retention period of one calendar year;
- › 40% of the bonus will be paid according to a linear pro-rated approach and will be further deferred by four years from the payment of the first instalment, 50% in cash and 50% in Banca Generali shares, which will be subject to a retention period of one calendar year.

For Non-Top Key Personnel whose variable remuneration is a particularly high amount, the portion subject to deferral is increased to 60%, without prejudice to the payment of 50% of it in Banca Generali shares, whereas for Top Key Personnel the deferral period is increased to five years, with a portion paid in shares increased to 53%.

In calculating the number of shares to be assigned, a method is applied where the numerator is the portion of variable remuneration subject to payment in shares accrued in relation to the achievement of objectives set for the year in question, and the denominator:

- › for years preceding 2025, is equal to the average price of Banca Generali shares during the three months prior to the meeting of the Board of Directors that approves the draft Separate and Consolidated Financial Statements for the year prior to that in which the cycle in question begins (ex-ante calculation);
- › for years following 2025, is equal to the average price of Banca Generali shares during the three months prior to the meeting of the Board of Directors that approves the draft Separate and Consolidated Financial Statements for the year related to the cycle in question (ex-post calculation).

For the purposes of termination indemnity, share price is calculated as the average prices in the three months prior to the signing of the agreement under which the termination indemnity is to be paid, or in the three months prior to the date of termination of the working relationship where the agreements are entered into on an ex-ante basis.

As regard the other components of the Variable Remuneration (e.g., retention bonus), the Share price is calculate as the average prices in the 3 (three) months prior to the month in which the up-front component is paid.

²⁴ Bank of Italy Circular No. 285/2013, "Supervisory Provisions for Banks", Part I, Title IV, Chapter 2, Compensation and incentive mechanisms, as updated on 24 November 2021 (37th update).

The payment in shares is executed after the Board of Directors verifies the earnings results for the year in question and is conditional not only upon the achievement of the pre-set objectives²⁵, but also to the satisfaction of access gates established from time to time by the Banking Group (CET 1 ratio and LCR – Liquidity Coverage Ratio) for the year in which the remuneration is accrued and, where appropriate, for the following years of deferral.

The Banking Group's Remuneration Policy for the reference year together with the authorisation to buy back treasury shares to be used to service it are submitted annually to the General Shareholders' Meeting that approves the previous year's Financial Statements. The actual buy-back of treasury shares is also subject to authorisation by the Bank of Italy.

These plan categories also include any other compensation paid in the form of shares related to:

- › ordinary sales incentives and recruitment plans for Financial Advisors other than the main network managers and employed sales personnel;
- › agreements entered into in view of or upon the early termination of the employment or agency relationship, with regard to the beneficiaries falling within the category of Key Personnel.

1.1 Measurement of fair value and accounting treatment

The mechanisms to recognise variable remuneration — discussed in the previous section — are considered as equity-settled share-based payment transactions, falling within the scope of application of IFRS 2 – Share-based Payments.

The accounting treatment set forth for these transactions requires an entity to reflect in its accounts, under the most appropriate item (staff expenses, fee expense), the estimated expense associated with services received, determined on the basis of the fair value of the rights granted (stock options/stock grants), as an offsetting entry to an increase in net equity through allocation to a specific equity reserve.

As the agreements relating to share-based payments related to the above-mentioned plans do not call for an exercise price, they can be considered similar to a stock grant and recognised in compliance with the rules set forth for this category of transactions.

The overall amount of these agreements is calculated in a way that varies if the assignment price is measured ex-ante, in the year of reference or ex-post, namely after the end of the year of reference.

In detail, for the plans activated before 2025, which generally provided for the ex-ante calculation of the assignment price, the overall expense is determined based on the number of shares expected to be assigned, multiplied by the fair value of the Banca Generali stock at the date of assignment. This methodology continues to apply to the Long-Term Incentive Plans (LTIP) reported here below, which call for an accrual horizon of several years.

For plans activated as of 2025, with ex post calculation of the assignment price, that are not specifically governed by IFRS 2, the methodology known as “shares to the value of” is applied, according to which the value of the plan is calculated at the assignment date based on the monetary amount of the discounted bonus determined through an appropriate discount rate.

The recognition through the equity reserve of the value of the plans — determined as described above — is measured pro-rata temporis, based on the vesting conditions, i.e., the period between assignment and final maturity of the right to receive the shares, likewise taking into account the probability that exercise conditions will not be realised for all beneficiaries.

Since the plans are organised into different instalments with differentiated vesting periods, each instalment is valued separately.

In detail, the vesting period for the first instalment paid up-front assigned after the approval of the Financial Statements for the year of reference lasts from 1 January to 31 December of the year of reference of the remuneration (12 months). The vesting period of the subsequent instalments, whose payment is conditional upon both the continuation of service and the satisfaction of the access gates established on an annual basis, is further extended to 31 December of the year preceding that in which the shares are actually disbursed, according to a graded vesting criteria²⁶.

The number of shares actually granted to the beneficiaries may, in any event, change based on the assessment of satisfaction of the individual objectives.

²⁵ Provided for by the Management by Objectives (MBO) mechanism or by specific incentive/recruitment plans.

²⁶ Since 2018, IFRS 2-related charges recognised in the Profit and Loss Account with regard to ordinary incentives accrued by Financial Advisors and linked to objectives of net inflows or acquisition of new customers, where paid in shares, are expensed over the longer time period of 5 years. In addition, share grants relating to various recruitment plans for Financial Advisors who are included among Key Personnel only after the plan is concluded may be covered by other fee provisions previously allocated.

The IFRS 2 expense relating to any beneficiaries belonging to Banking Group companies other than the parent company Banca Generali is recognised directly by those companies. However, when the treasury shares bought back are actually assigned to them, the Bank charges back to the companies involved an amount corresponding to the fair value of the relevant plans²⁷. In light of the existence of particularly relevant sector-specific rules, the plans activated in favour of employees of the subsidiary Intermonte SIM are managed separately and are analysed in a dedicated section below.

1.2 Information on the share-based payment plans in connection to the Remuneration Policies

At 31 December 2025, there were four active cycles of share-based plans in connection to the Remuneration Policies relating to 2022, 2023, 2024 and 2025.

Moreover, a limited number of non-standardised entry plans envisaging a longer, multi-year deferment are active.

The main features of the share-based plan, linked to the **2022** Remuneration Policies and approved by the General Shareholders' Meeting on **21 April 2022**, are as follows:

- › for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock, calculated as the average official market price during the period 9 December 2021 to 9 March 2022, had been determined to be **36.0 euros**;
- › the fair value of Banca Generali stock at the assignment date had been equal to the market price reported on 22 April 2021 (approximately **32.35 euros**), subsequently adjusted to account for the loss of dividends expected in the longer deferral period.

In that cycle, total shares to be assigned to Key Personnel had amounted to **248.8 thousand**, for a total fair value of approximately **7.0 million euros**.

In 2025, **26.8 thousand shares**, referring to the second deferred instalment, were paid to the beneficiaries. Shares still to be assigned amounted to **54.8 thousand** and refer to the deferred instalments that will become payable from 2026 to 2028, respectively.

The main features of the share-based plan, linked to the **2023** Remuneration Policies and approved by the General Shareholders' Meeting on **19 April 2023**, are as follows:

- › for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock, calculated as the average official market price during the period 8 December 2022 to 8 March 2023, had been determined to be **33.18 euros**;
- › the fair value of Banca Generali stock at the assignment date had been equal to the market price reported on 19 April 2023 (approximately **30.34 euros**), subsequently adjusted to account for the loss of dividends expected in the longer deferral period.

In that cycle, total shares to be assigned to Key Personnel had amounted to **239 thousand**, for a total fair value of approximately **6.3 million euros**.

In 2025, **27.1 thousand shares**, referring to the first deferred instalment, were paid to the beneficiaries. Shares still to be assigned amounted to **82.9 thousand** and refer to the deferred instalments that will become payable from 2026 to 2029, respectively.

The main features of the share-based plan, linked to the **2024** Remuneration Policies and approved by the General Shareholders' Meeting on **18 April 2024**, are as follows:

- › for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock, calculated as the average official market price during the period 5 December 2023 to 5 March 2024, had been determined to be **34.26 euros**;
- › the fair value of Banca Generali stock at the assignment date had been equal to the market price reported on 18 April 2024 (approximately **35.45 euros**), subsequently adjusted to account for the loss of dividends expected in the longer deferral period.

In that cycle, total shares to be assigned to Key Personnel had amounted to 376.8 thousand, for a total fair value of approximately **11.5 million euros**.

In 2025, **193.9 thousand shares**, referring to the up-front portion, were paid to the beneficiaries. Shares still to be assigned amounted to **183 thousand** and refer to the deferred instalments that will become payable from 2026 to 2030, respectively.

The share-based plan linked to the **2025** Remuneration Policies was approved by the General Shareholders' Meeting on **17 April 2025**.

In this regard, it should be noted that, for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock was calculated as the average official market price during the period 4 February 2025-4 March 2025, whereas the value of the plan for IFRS 2 purposes was determined based on the monetary value of the variable remuneration payable in shares, discounted at the date of the General Shareholders' Meeting that approved the 2025 Remuneration Policy in question.

²⁷ The amount includes, in particular, the bonuses paid in shares to Key Personnel of the subsidiaries BGFML, BG Valeur and BG (Suisse) Private Bank S.A.

In respect of the assessment of the achievement by Key Personnel of the objectives set for 2025, it was estimated that the overall fair value of the plan calculated based on the portion of variable remuneration subject to share-based payment amounted to **11.7 million euros**, equal to an estimated amount of **221 thousand shares**.

The estimate of the shares in the process of accruing referring to the 2022-2024 three-year incentive plan launched by the Bank in 2022 that can be allotted to Key Personnel within Financial Advisors and Relationship Managers amounted to 130 thousand, for a total value of 2.8 million euros.

Other plans

There are other share-based plans, activated within the framework of the Remuneration Policies in force from time to time, which call for longer deferral periods of several years greater than those in effect when the plans were activated or, in any case, for vesting periods not in line with those envisaged in the Remuneration Policies.

In 2025, share-based payments in relation to new redundancy incentives plans were also recognised for a total amount of 167 thousand euros.

With regard to such plans, shares still to be assigned to Key Personnel are estimated at an amount just above 17 thousand, corresponding to an equity reserve of 0.5 million euros.

Plans of Intermonte

Following the voluntary tender offer on a 100% interest in **Intermonte Partners Sim S.p.A.**, the parent company of the group of securities brokerage firms (SIM) of the same name, completed on 31 January 2025 with the ensuing delisting of Intermonte shares from the Italian Stock Exchange, it was necessary to amend the share-based payment plans activated by said group, in accordance with industry regulations, so as to allow the allotment of Banca Generali shares, instead of Intermonte Partners shares, which were no longer available and listed.

In this regard, it should be noted that the assignment price of Banca Generali shares was calculated as follows:

- › for prior years' incentive plans, for which the number of Intermonte shares to be granted had already been defined, based on the exchange ratio between the average market price of Banca Generali stock and Intermonte stock in January 2026 (approximately 15.59 euros);
- › for the 2024 incentive plan, for which the number of Intermonte shares to be granted had not been defined at that time, based on the market price of Banca Generali stock in the 30 days preceding the Board of Directors' resolution authorising the allotment of the shares (50.03 euros).

The total number of Banca Generali shares in service of Intermonte's incentive share-based plans in place at 31 December 2024 was set at just below 35 thousand, of which 23.9 thousand granted to the beneficiaries throughout 2025.

In compliance with the general principles laid down in *Banca Generali Group's Remuneration and Incentive Policy* and in accordance with industry regulations applicable to investment firms, Intermonte has adopted its own structure of remuneration and incentive schemes.

The objectives underlying the incentive schemes are defined in a specific regulation and may include capital and financial objectives (i.e., revenues, contribution margin) generated by the business areas (*Global Markets, Sales & Advisory, Websim, Investment Banking*) and adjusted to take into account the risk exposures.

The payment in shares is conditional not only upon the achievement of the Banking Group gates, but also to specific capital, liquidity and profitability gates (e.g., *ROE*).

If the variable component of the Key Personnel's remuneration exceeds 50 thousand euros and one fourth of ordinary remuneration, at least 40% of it is subject to deferred payment systems for a period of time of up to three years and will be at least 50% paid in Banca Generali shares.

In addition, specific loyalty and retention plans with distinctive characteristics were activated in 2025.

In respect of the assessment of the achievement by Key Personnel of the objectives set for 2025, it was estimated that the overall fair value of Intermonte's plans calculated based on the portion of variable remuneration subject to share-based payment amounted to **1.8 million euros**, equal to an estimated amount of **31.9 thousand shares**.

Some managers of Intermonte were also identified as beneficiaries of the 2025 Long Term Incentive Plan.

Quantitative information

In the reporting year, on the basis of the achievement of the performance objectives set out in the 2022, 2023 and 2024 Remuneration Policy, **259,248** treasury shares were granted to company managers and network managers, of which **207,988** shares assigned to Area Managers and Financial Advisors, **46,458** shares to employees, and **4,902** shares to other beneficiaries of Banking Group companies.

In detail, the shares allotted related, respectively, to the 2022 second instalment deferred by one year, the 2023 first deferred instalment, the 2024 up-front amount and, for a residual amount, to shares granted under previous years' plans based on different deferral mechanisms and with redundancy incentives for Key Personnel.

In addition, **23,394** treasury shares were allotted in relation to payment plans based on pre-acquisition Intermonte shares, for a total amount of **282,643 shares** in 2025.

	DEFERRAL	DATE OF SHARE-HOLDERS' MEETING	BANK OF ITALY'S AUTHORIZATION	ASSIGNMENT PRICE	WEIGHTED AVERAGE FV	TOTAL SHARES (/000)	SHARES ALREADY ASSIGNED (/000)	SHARES ASSIGNED IN 2025	SHARES TO BE ASSIGNED (/000)	FAIR VALUE (€ MILLION)	IFRS 2 RESERVE (€ MILLION)
Year 2021	2022-2024	22.04.2021	01.07.2021	27.58	26.36	192.0	-192.0	-	-	5.1	-
Year 2022	2022-2027	22.04.2022	01.07.2022	36.00	28.29	248.8	-167.2	-26.8	54.8	7.0	1.2
Year 2023	2023-2028	19.04.2023	28.06.2023	33.18	26.36	239.4	-129.4	-27.1	82.9	6.3	1.5
Year 2024	2024-2029	18.04.2024	26.06.2024	34.26	31.83	376.8	-	-193.9	183.0	11.5	3.4
Year 2025 (*)	2025-2030	17.04.2025	29.07.2025	n.a.	n.a.	223.5	-	-2.6	221.0	11.7	7.9
Year 2022 three-year incentives	2022-2028	22.04.2022	28.06.2023	36.00	21.61	129.9	-	-	129.9	2.8	2.2
Other share-based plans for employees (entry plans, redundancy plans, etc.)					35.30	56.0	-30.0	-8.9	17.0	2.0	0.5
Total						1,466.4	-518.6	-259.2	688.5	46.4	16.5
Intermonte plans – prior years' plans (2021-2024)				n.a.	n.a.	34.7	-	-23.4	11.3	2.1	0.4
Intermonte plans for 2025 (*) (**)				n.a.	n.a.	31.9	-	-	31.9	1.8	0.8
Total						1,533.0	-518.6	-282.6	731.8	50.3	17.7

(*) Estimate based on the evolution of the stock price in the three-month period ended 4 March 2026.

(**) Net of the 2025 LTIP component related to Intermonte beneficiaries.

2. 2017-2026 Framework Loyalty Programme for the Sales Network

The 2017-2026 Framework Loyalty Programme for the Sales Network was approved by the Board of Directors on 21 March 2017 and ratified by the General Shareholders' Meeting on 20 April 2017.

The Framework Loyalty Programme is divided into eight annual individual plans, all set to expire on 31 December 2026 and of decreasing lengths, to be activated following prior authorisation by the General Shareholders' Meeting of Banca Generali.

The indemnities accrued over the term of the Programme will be, in any event, paid out in one instalment, within 60 days from the General Shareholders' Meeting called to approve the 2026 Financial Statements.

For each plan, a portion of the accrued indemnity may be paid out in Banca Generali shares (up to a maximum of 50%), following an assessment of the potential effects at the level of capital ratios and floating capital by the corporate bodies (Board of Directors and General Shareholders' Meeting).

Participation in each of the plans envisaged by the Programme is reserved for Financial Advisors and Relationship Managers who have at least five years of company seniority by 31 December of the financial year before the reference year for each plan.

To be eligible to access the benefits of the plans activated it is necessary to:

- › achieve at the end of the reference year a minimum volume of total AUM and qualified AUM increasing over time and with no net outflows (vesting condition);
- › be regularly employed and not in a notice period on the disbursement date, except when the termination of employment is caused by death or permanent incapacity, retirement or withdrawal from the relationship by Banca Generali not for cause (service condition).

In the event of death, the indemnities accrued are understood to be permanently acquired, but are payable to the heirs under the same conditions specified for the other beneficiaries.

In addition, the accrued indemnity is commensurate for each individual plan with a rate for verified AUM and is differentiated according to the type of person (Financial Advisor/Relationship Manager) and service seniority until a cap is reached.

Recognition of the indemnities on the disbursement date is also subject to the Banking Group access gates being exceeded as defined in the Remuneration Policies applicable from time to time and the rules of propriety.

The number of Banca Generali shares due is determined in the same way as for the share-based payment plans connected with the Remuneration Policies, namely based on the average price of Banca Generali shares during the three months prior to the meeting of the Board of Directors that approves the draft Separate and Consolidated Financial Statements for the year prior to that of the annual plan of reference.

2.1 Measurement of fair value and accounting treatment

Without prejudice to the accounting framework already analysed in point 1.1 above, set out below are the specific details of the share-based payment plans that can be activated as part of the Loyalty Programme.

The fair value of Banca Generali shares for plan valuation purposes is determined based on the market stock price reported on the date of the General Shareholders' Meeting that approves their activation, adjusted to take account of the estimate of expected dividends that the Bank will distribute along all the time horizon, decreasing for each successive plan, running up to the date the shares are actually assigned.

The plans' impact on the profit and loss account is measured pro-rata temporis based on the vesting period, which decreases for each successive plan, i.e., the period between the year of reference and final maturity of the right to receive the shares, taking also into account the probability that the vesting conditions for the year will not be realised for all beneficiaries.

2.2 Information on the share-based payment plans linked to the Framework Loyalty Programme

For all the annual plans launched up to the reporting date, 50% of the indemnity accrued can be paid out in shares.

The accrued indemnity value was determined based on the AUM of the plan's potential beneficiaries at end of the year of reference, whilst the number of financial instruments that can be assigned was determined based on the same reference value as the Banca Generali stock applied to the Remuneration Policies in force in the respective years.

Overall, the total number of shares, either assigned or in the process of accruing, in service of the five plans amounted to about 1,413 thousand (1,391 thousand net of the estimated turnover), for a total value of 20.2 million euros, of which 16.1 million euros already recognised through profit and loss.

	MAXIMUM NO. OF SHARES	NO. OF SHARES NET OF THE ESTIMATED TURNOVER	PLAN'S FAIR VALUE	IFRS 2 RESERVE	2025 EXPENSE
	THOUSANDS OF SHARES			€ MILLION	
2017-2026 Plan	204	201	2.4	2.1	0.2
2018-2026 Plan	162	159	2.3	1.9	0.2
2019-2026 Plan	333	328	4.4	3.6	0.5
2020-2026 Plan	278	273	2.7	2.1	0.4
2021-2026 Plan	437	430	8.4	6.4	1.3
Total	1,413	1,391	20.2	16.1	2.6

3. Long Term Incentive (LTI) Plans

The Long Term Incentive (LTI) Plan, based exclusively on Banca Generali S.p.A. shares, is governed by Banca Generali's Remuneration Policies for Key Personnel and is approved annually by the Shareholders' Meeting of the Bank²⁸.

The plan aims at increasing the value of Banca Generali shares, by further strengthening the link between the remuneration of beneficiaries and the performance of the Banking Group, without prejudice to the consistency required with the expected results set forth in the Insurance Group's strategic plan.

Up to financial year 2023, the performance objectives envisaged by the plans had assigned a weight of 80% to the Banking Group's objectives and 20% to the Insurance Group's objectives. Since 2024, the plan has been exclusively based on the Banking Group's objectives.

The main characteristics of the plans approved as of 2020 are:

- › the maximum number of the shares to be granted is determined at the beginning of the period of reference using a multiplier of the beneficiary's current remuneration;
- › each year, it is determined that the access gate conditions of the Banking Group and of the Insurance Group have been met with regard to the specific year of the plan, and the attainment of the objectives set at the beginning of the three-year period is assessed;
- › at the end of the three years, once it has been determined that the access gates have been exceeded, the overall level of achievement of the objectives set at the beginning of the three years is assessed on the basis of the average annual results achieved in order to determine the actual number of shares due;
- › the total shares accrued are then disbursed to the plan beneficiaries, provided that there is still a professional relationship between the beneficiary and a Banking Group company (service condition) and that the access gates have been exceeded, through the free granting of ordinary treasury shares bought back on the market (stock granting), in two instalments:
 - 50% of the shares is assigned immediately, subject to a further retention period of one year;
 - the remaining 50% is subject to a deferral of two additional years, without prejudice to a retention period of an additional year;

²⁸ For further details on the Plan, reference should be made to the Report on Remuneration Policy and Compensations Paid approved annually by the Shareholders' Meeting and published on the Bank's corporate website.

- › the plan does not include dividend equivalent mechanisms, in accordance with the law and common practice in the banking sector;
- › the plans envisage the customary malus and claw-back clauses.

The level of achievement of objectives, expressed in percent terms, is determined separately for each basket, consisting in an indicator and the weight assigned to it, using the linear interpolation method on the basis of the reference levels set at the outset of the plan (minimum, target and maximum)²⁹.

Here below is a presentation of the performance indicators defined for the plans activated up to now.

3.1 Measurement of fair value and accounting treatment

Without prejudice to the accounting framework already analysed in point 1.1 above, set out below are the specific details of the share-based payment plans that can be activated as part of the LTI plans launched by Banca Generali.

The number of shares due shall be valued separately for each plan year and for each of the weighted baskets linked to the objectives of the Banking Group and the Insurance Group.

In particular, baskets tied to the performance indicator formed by the Insurance Group's rTSR contain a market condition, whereas the other baskets are based on the achievement of performance conditions.

	WEIGHT OF BANKING/ INSURANCE GROUP'S KPIS	BANKING GROUP ACCESS GATES	INSURANCE GROUP ACCESS GATES	BANKING GROUP OBJECTIVES	INSURANCE GROUP OBJECTIVES
2020 LTI	80%-20%	Total Capital Ratio (TCR) Liquidity Coverage Ratio (LCR)	Regulatory solvency ratio	1. tROE (50%) 2. adjusted EVA (50%)	1. rTSR (50%) 2. Net Holding cash flow (50%)
2021 LTI	80%-20%			1. tROE (50%) 2. adjusted EVA (50%) 3. ESG AUM (correction factor from 0.8 to 1.2) ^(g)	1. rTSR (50%) 2. Net Holding cash flow (50%) 3. ESG indicators (correction factor from 0.8 to 1.2)
2022 LTI	80%-20%			1. tROE (40%) 2. adjusted EVA (40%) 3. AUM ESG (20%) ^(g)	1. rTSR (45%) 2. Net Holding cash flow (35%) 3. ESG indicators (20%)
2023 LTI	80%-20%	CET1 Ratio Liquidity Coverage Ratio (LCR)	n.a.	1. tROE (40%) 2. adjusted EVA (40%) 3. AUM ESG (20%) ^(g)	1. rTSR (55%) 2. Net Holding cash flow (25%) 3. ESG indicators (20%)
2024 LTI	100%	CET1 Ratio Liquidity Coverage Ratio (LCR) ^(c)		1. tROE (40%) 2. adjusted EVA (40%) 3. AUM ESG (15%) average ESG rating (5%) ^(g)	n.a.
2024 LTI	100%	CET1 Ratio Liquidity Coverage Ratio (LCR) ^(c)		1. tROE (40%) 2. adjusted EVA (40%) 3. carbon footprint of corporate investments (10%). training (5%). average ESG rating (5%) ^(g)	n.a.

(a) tROE (tangible – Return on equity): the ratio of recurring net profit and average adjusted net equity, calculated excluding net profit for the year and intangible assets.

(c) Adjusted EVA – Embedded value added: an indicator that expresses the value creation as the difference between recurring net profit and the cost of capital (Ke * average absorbed capital).

(e) rTSR – relative Total Shareholder Return: the total return on shareholder investment, calculated as the change in the market price of Generali Group shares, in which distributions or dividends reinvested in the shares are included, as compared to a peer group of competitors included in the STOXX Euro Insurance index.

(h) Net Holding cash flow (Generali Group): net cash flows available at the level of the parent company in a given period, after holding expenses and interest expense, its main components, from a cash perspective, are: remittances from subsidiaries; the result of centralised reinsurance; interest on borrowings; and expenses and taxes paid or reimbursed at the level of the Parent Company.

(g) Sustainability indicators: for a more detailed description of sustainability indicators, reference should be made to the Report on Remuneration Policy and Compensations Paid approved annually by the Shareholders' Meeting and published on the Bank's corporate website.

Market conditions are assessed solely at the assignment date on the basis of a statistical model that estimates the probable future positioning of the rTSR for Generali shares compared to a peer group identified by the STOXX Euro Insurance Index for each plan year. The fair value of the rights associated with this plan component is thus determined by multiplying the fair value of a Banca Generali share at the assignment date by the level of achievement of the objective associated with the resulting positioning.

Baskets associated with the achievement of performance conditions are assessed on the basis of the fair value of a Banca Generali share and the number of shares potentially assignable.

²⁹ In particular, the maximum performance level is associated with a percentage that, based on the different category of beneficiaries, may vary from 25% to 100% (from 87.5% to 175% for LTI plans before 2024).

In this case as well, the fair value of the Banca Generali share used for evaluating the plans is determined starting from the market stock price reported on the date of the General Shareholders' Meeting that approves their activation, adjusted to take account of the estimate of expected dividends that the Bank will distribute along all the time horizon, running up to the date the shares are actually assigned.

The total cost of the LTI plans is therefore equal to the sum of the cost calculated for each basket on the basis of the fair value of rights assigned, determined according to the above methods, multiplied by the number of shares that may potentially be granted in respect of the level of achievement of the performance condition, the market condition, the likelihood that the service condition will be met and the achievement of the minimum access gate.

The recognition through the equity reserve of the value of the plans — determined as described above — is measured pro-rata temporis, based on the vesting conditions, i.e., the period between assignment and final maturity of the right to receive the shares, likewise taking into account the probability that exercise conditions will not be realised for all beneficiaries.

In particular, for plans activated from 2020 onwards, the vesting period of the first instalment is three years, from the year of approval of the plan to the end of the final year of the three years of reference, whereas the vesting period of the second instalment starts at the end of the year before that of actual assignment of the shares (five years).

3.2 Information on the LTI (Long Term Incentive) share-based payment plans

In 2025, 94,026 shares were assigned, of which 45,202 related to the second instalment of the 2020-2022 LTI Plan and 52,563 shares related to the first instalment of the 2022-2024 LIT Plan.

Overall, the total number of shares in the process of accruing for the plans underway amounted to about 411 thousand, for a total value of 10.7 million euros, of which 6.5 million euros already recognised through profit or loss.

	NO. OF SHARES (THOUSANDS OF SHARES)				PLAN'S FAIR VALUE (*)	IFRS 2 RESERVE	2025 EXPENSE
	TOTAL	TO BE ALLOTTED	ALLOTTED	RESIDUAL		(€ MILLION)	
2020-2022 Plan (2023-2025 allotments)	85.6	42.8	-42.8	-	-	-	-
2021-2023 Plan (2024-2026 allotments)	123.4	61.7	-	61.7	1.3	1.3	0.2
2022-2024 Plan (2025-2027 allotments)	102.4	102.4	-51.2	51.2	1.2	0.9	0.2
2023-2025 Plan (2026-2028 allotments)	123.7	123.7	-	123.7	2.7	2.1	0.6
2024-2026 Plan (2026-2028 allotments)	96.6	96.6	-	96.6	2.6	1.4	0.7
2025-2027 Plan (2027-2029 allotments)	77.7	77.7	-	77.7	3.0	0.8	0.7
Total plans underway	609.3	504.8	-94.0	410.8	10.7	6.5	2.4

(*) Referring to instalments yet to be paid.

B. Quantitative information

The value of treasury shares assigned during the year was 10.2 million euros, against IFRS 2 reserves totalling 11.7 million euros, with a negligible negative net effect on the share premium reserve.

New provisions were also allocated to the reserve for 17.9 million euros.

At 31 December 2025, total IFRS 2 reserves allocated with regard to payment plans based on Banca Generali shares therefore totalled 40.5 million euros, of which:

- › 16.5 million euros in relation to the Remuneration Policy;
- › 16.1 million euros in relation to the Loyalty Programme;
- › 6.5 million euros in relation to the Long Term Incentive Plans of Banca Generali;
- › 1.2 million euros referring to Intermonte SIM;
- › 0.2 million euros in relation to foreign subsidiaries.

PART L – SEGMENT REPORTING

In application of IFRS 8, Banca Generali Group's segment reporting is based on information that management used in the year to make its operating decisions³⁰.

In January 2024, a reorganisation of the BG Network for commercial purposes was launched entailing:

- › the separation of the new Senior Partner Network, consisting of Financial Advisors with assets under management of more than 150 million euros and teams with assets under management of more than 350 million euros;
- › the incorporation of the Private Banking and Wealth Management Networks into the new Private & Wealth Network, within the framework of which the organisational structures of the former networks retained their peculiarities, under the supervision of a new top management position, the Network Sales Manager, focused on local coordination and commercial guidance of the various network's Area Managers.

The **“Senior Partner” operating segment (hereinafter the “SP” operating segment)** consists of the assets attributable to the specific Financial Advisor Network managing AUM of more than 150 million euros and teams with assets under management exceeding 350 million euros.

The **“Private Banking” operating segment (hereinafter the “PB” operating segment)** consists of the assets attributable to the other networks of Financial Advisors (Private Bankers, Wealth Managers and Financial Planners), to the Relationship Manager Network and their customers, in addition to assets held in Switzerland.

In light of the business nature, the Group assessed the performance of its operating segments on the basis of the performance of the net banking income attributable to such segments.

The financial aggregates presented for each segment therefore consist of net interest, net fees and income from trading activities and dividends. They include both components arising from transactions with third parties external to the Group (“external revenues”), and those deriving from transactions with other segments (“internal revenues”).

The interest expense incurred by the segments mentioned below was determined on the basis of the actual interest paid on each segment's direct net inflows. The segments' interest income includes the actual interest accrued on the loans issued to customers in each segment. Both components are recognised net of the share of the “notional interest” calculated on the basis of the LTP (Liquidity Transfer Pricing) and attributed to the Corporate Center segment.

Performance fees were directly allocated to the business areas that placed the products. All the revenue components presented were measured using the same accounting standards adopted to prepare the Group's Consolidated Financial Statements so that segment data could be reconciled more easily with consolidated data.

The following table shows the consolidated profit and loss results of each of the three operating segments, stated net of intra-segment eliminations. For the purpose of a better understanding of the economic data reported below, it is worth recalling that changes also reflect the reallocations among operating segments performed in the year.

³⁰ The financial data in the segment reporting is stated in accordance with the management approach, reclassifying fee provisions to item “Fee expense”.

BANCA GENERALI GROUP PROFIT AND LOSS ACCOUNT BY BUSINESS SEGMENT	31.12.2025				31.12.2024			
	PB OPERATING SEGMENT	SP OPERATING SEGMENT	CORPORATE CENTER	TOTAL	PB OPERATING SEGMENT	SP OPERATING SEGMENT	CORPORATE CENTER	TOTAL
Net interest income	180,304	23,354	121,356	325,014	268,004	34,578	14,524	317,106
Fee income	990,354	162,525	92,832	1,245,712	990,003	154,832	62,724	1,207,559
of which: underwriting	43,938	9,680	-3,197	50,422	44,969	7,044	-3,557	48,457
of which: management	752,128	116,629	52,703	921,461	708,581	106,555	44,646	859,782
of which: performance	94,920	12,233	7,612	114,765	141,343	18,299	6,745	166,387
of which: other	99,368	23,983	35,714	159,065	95,109	22,934	14,890	132,933
Fee expense	-485,531	-100,840	-14,541	-600,912	-461,293	-88,858	-14,918	-565,069
of which: incentives	-15,084	-4,182	-	-19,266	-12,223	-3,492	-	-15,715
Net fees	504,824	61,686	78,291	644,800	528,710	65,974	47,806	642,490
Net income (loss) from trading activities and dividends	62	-	30,470	30,532	14	-	21,522	21,536
Net banking income	685,189	85,040	230,117	1,000,346	796,727	100,552	83,853	981,132
Staff expenses				-164,507				-134,997
Other general and administrative expenses				-291,739				-263,434
Adjustments of property, equipment and intangible assets				-48,266				-42,143
Other operating expenses/income				140,040				133,966
Net operating expenses				-364,472				-306,608
Operating result				635,872				674,524
Adjustments of other assets				-19,868				1,837
Net provisions				-79,788				-105,830
Gains (losses) from investments and equity investments				-2,422				-758
Operating profit before taxation				533,794				569,773
Income taxes – operating activities				-87,083				-138,548
Profit (loss) from assets held for sale				-				-
Net profit (loss) for the year attributable to minority interests				866				-
Net profit				445,845				431,225

(€ MILLION)

Assets Under Management	92,747	19,808	8,322	120,877	85,504	17,508	7,426	110,438
Net inflows	5,388	1,452	n.a.	6,840	5,520	1,128	n.a.	6,648
No. of FAs/RMs	2,303	115	n.a.	2,418	2,263	103	n.a.	2,366

With respect to the information about assets and liabilities required by IFRS 8, it should be noted that the Group's management does not present or analyse the data in question in a format that differs from that as approved in the Consolidated and Separate Financial Statements.

Accordingly, for comments on the Group's balance sheet figures, reference is made to the other sections of these Notes and Comments.

The following table shows the breakdown of the balance of consolidated intangible assets by the two segments, with particular reference to the Goodwill component.

(€ THOUSAND)	31.12.2025			
	PB/WM OPERATING SEGMENT	SP OPERATING SEGMENT	CC OPERATING SEGMENT	TOTAL
Goodwill	82,323	8,894	52,451	143,668
Intangible assets (customer relationships and trademarks)	7,645	5,665	10,494	23,804
Total	89,968	14,559	62,945	167,472

In accordance with the requirements of IFRS 8.33, it bears recalling that the Group's business is substantially evenly distributed throughout Italy. Management does not receive any reports on performance by geographical area.

In accordance with the requirements indicated in IFRS 8.34, it is specified that the Group has no customers that allow revenues of more than 10% of consolidated revenues to be obtained, the only exception being the insurance product distribution activity of the subsidiary Genertellife, for which reference is made to Part H of these Notes and Comments.

PART M – INFORMATION ON LEASES

Section 1 – Lessee

Qualitative information

With regard to qualitative information required pursuant to paragraphs 59 and 60 of IFRS 16, reference should be made to Part A, namely Part A.2 – Main Financial Statements Aggregates, Point 15 – Other information of these Notes and Comments.

Quantitative information

As regards quantitative information, reference should be made to the details given in these Notes and Comments, and in particular:

- › **Rights of use acquired through leases** in Part B, Section 9 – Property and equipment – Item 90. Table 9.1 Breakdown of operating property and equipment: assets measured at cost;
- › **Lease debts** in Part B, Section 1 – Financial liabilities measured at amortised cost – Item 10. Table 1.6 Lease debts;
- › **Interest expense on lease liabilities/debts** in Part C, Section 1 – Interests – Items 10 and 20. Table 1.3 Breakdown of interest expense and similar charges;
- › **Other costs associated with rights of use acquired through leases** in Part C, Section 12 – General and administrative expenses – Item 190. Table 12.5 Breakdown of other general and administrative expenses;
- › **Depreciation of rights of use acquired through leases** in Part C, Section 14 – Net adjustments/reversals of property and equipment – Item 210. Table 14.1 Breakdown of net adjustments of property and equipment.

Trieste, 4 March 2026

The Board of Directors

Independent Auditors' Report on the Consolidated Financial Statements



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(The accompanying translated consolidated financial statements of the Banca Generali Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Banca Generali S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Banca Generali Group (the "group"), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated profit and loss account, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Banca Generali Group as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of Banca Generali S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the

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e fa parte del network KPMG
di entità indipendenti affiliate a
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Banca Generali Group
Independent auditors' report
31 December 2025

context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Classification and measurement of financial assets and liabilities at fair value

Notes to the consolidated financial statements "Part A – Accounting policies": paragraphs A.2.1 "Financial assets measured at fair value through profit or loss (FVTPL)", A.2.2 "Financial assets measured at fair value through other comprehensive income (FVOCI)", A.2.4 "Hedging transactions", A.2.12 "Financial liabilities held for trading" and A.4 "Information on fair value"

Notes to the consolidated financial statements "Part B - Information on the consolidated balance sheet - Assets": sections 2 "Financial assets measured at fair value through profit or loss", 3 "Financial assets measured at fair value through other comprehensive income" and 5 "Hedging derivatives"

Notes to the consolidated financial statements "Part B - Information on the consolidated balance sheet - Liabilities": sections 2 "Financial liabilities held for trading" and 4 "Hedging derivatives"

Notes to the consolidated financial statements "Part C - Information on the consolidated profit and loss account": sections 4 "Net income (loss) from trading activities", 5 "Net income (loss) from hedging" and 7 "Net gains (losses) of other financial assets and liabilities measured at fair value through profit and loss"

Notes to the consolidated financial statements "Part E - Information on risks and risk hedging policies": paragraphs 1.1 "Credit risk - subsection D "Transfers" - paragraphs C "Prudential consolidation - Transferred financial assets fully derecognised", 1.2 "Market risks" and 1.3 "Derivatives and hedging policies"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2025 include financial assets and financial liabilities at fair value totalling €4,349.1 million and €294 million, respectively. These financial assets and liabilities comprise assets and liabilities measured at fair value of €699.8 million and €195.3 million, respectively, for which there is no quoted price on an active market and which the directors have classified at levels 2 and 3 of the fair value hierarchy. Classifying and, especially, measuring fair value levels 2 and 3 financial instruments require a high level of judgement given the complexity of the models and parameters used. For the above reasons, we believe that the classification and measurement of financial assets and liabilities at fair value are a key audit matter.	Our audit procedures included: — gaining an understanding of the parent's and group companies' processes and IT environments in relation to the trading, classification and measurement of financial instruments; — assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls, especially in relation to the measurement of financial instruments with fair value levels 2 and 3. We carried out these procedures with the assistance of experts of the KPMG network; — checking, on a sample basis, that the financial instruments had been correctly classified on the basis of their fair value level; — for a sample of financial instruments with fair value levels 2 and 3, assessing the reasonableness of the main parameters used by the directors for their measurement. We carried out this procedure with the assistance of experts of the KPMG network; — analysing the changes in the composition of the financial instrument portfolios compared to the previous year end and discussing the results with the relevant internal departments;



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-
- assessing the appropriateness of the disclosures about financial instruments and related fair value levels.
-

Measurement of provisions for liabilities and contingencies

Notes to the consolidated financial statements "Part A - Accounting policies": paragraph 10 "Provisions for liabilities and contingencies"

Notes to the consolidated financial statements "Part B - Information on the consolidated balance sheet - Liabilities": section 10 "Provisions for liabilities and contingencies"

Notes to the consolidated financial statements "Part C - Information on the consolidated profit and loss account": section 13 "Net provisions for liabilities and contingencies"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2025 include provisions for liabilities and contingencies of €336.2 million. These include €248.5 million relating to financial advisors' termination indemnities and incentive schemes and €87.8 million mainly relating to legal disputes, personnel-related costs and commercial actions aimed at compensating customers for potential losses arising from investments in illiquid products distributed by the group. Measuring provisions for liabilities and contingencies is a complex activity, with a high degree of uncertainty, and also entails directors' actuarial-based estimates about the probability of payments, the expected payment timing and other historical and statistical parameters. For the above reasons, we believe that measuring provisions for liabilities and contingencies is a key audit matter.	Our audit procedures included: — understanding the process for the measurement of the provisions for liabilities and contingencies, assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; — analysing the discrepancies between last year's and current year's estimates of the provisions for liabilities and contingencies and discussing the results with the relevant internal departments; — sending written requests for information to the legal advisors assisting the group with pending legal disputes and the quantification of the related liability and checking the consistency of the information obtained with the elements considered by the directors to measure the provisions for liabilities and contingencies; — analysing the reasonableness of the assumptions used to estimate the main accruals to the provisions for liabilities and contingencies through discussions with the relevant internal departments and analysis of the supporting documentation; — analysing the reasonableness of the assumptions, actuarial assumptions and methods used by the directors to estimate the liability for personal financial advisors' termination indemnities. We carried out these procedures with the assistance of experts of the KPMG network; — assessing the appropriateness of the disclosures about the provisions for liabilities and contingencies.



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 31 December 2025

Other matters - Management and coordination

The parent's directors disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to the group's consolidated financial statements. Our opinion on the consolidated financial statements of the Banca Generali Group does not extend to such data.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;



Banca Generali Group
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 31 December 2025

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 22 April 2021, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2025 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's reports on operations and on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the compliance of the report on operations, excluding the section that includes the sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2025.

Moreover, in our opinion, excluding the section which includes the sustainability statement, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.



Banca Generali Group
Independent auditors' report
31 December 2025

Our opinion on the compliance with the applicable law does not extend to the report on operations' section which includes the sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Trieste, 24 March 2026

KPMG S.p.A.

(signed on the original)

Pietro Dalle Vedove
Director of Audit

Independent Auditors' Report on the Sustainability Statement



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' limited assurance report on the sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Banca Generali S.p.A.

Conclusion

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2025 sustainability statement of the Banca Generali Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the directors' report (the "sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2025 sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)" section of the sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the "taxonomy regulation").

Basis for conclusion

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under SSAE (Italia) are further described in the "Auditors' responsibilities for the sustainability assurance engagement" section of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

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Gruppo Banca Generali

Relazione della società di revisione

31 dicembre 2025

Our company applies International Standard on Quality Management (ISQM Italia) 1 and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and board of statutory auditors (“Collegio Sindacale”) of Banca Generali S.p.A. (the “parent”) for the sustainability statement

The directors are responsible for designing and implementing the procedures to identify the information included in the sustainability statement in accordance with the ESRS (the “materiality assessment process”) and for the description of these procedures in the “*IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities*” section of the sustainability statement.

The directors are also responsible for the preparation of a sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in the “*Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)*” section with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree’s provisions.

Inherent limitations in preparing the sustainability statement

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the sustainability statement, regarding future events and the group’s actions that are not necessarily expected to occur. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

The disclosures provided by the group about Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative Scope 3 emissions information from value chain.

Auditors’ responsibilities for the sustainability assurance engagement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the sustainability statement is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the sustainability statement.



Gruppo Banca Generali

Relazione della società di revisione

31 dicembre 2025

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to check disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the sustainability limited assurance engagement and assuming full responsibility for the conclusion on the sustainability statement.

Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process; Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
 - considered the interests and opinions of the stakeholders involved;
 - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
 - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined;
- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the sustainability statement, including of the reporting boundary, through interviews and discussions with the group's personnel and selected procedures on documentation;
- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error;
- we designed and performed procedures at group level, based on our professional judgement, to respond to identified risks of material misstatement, including:



Gruppo Banca Generali

Relazione della società di revisione

31 dicembre 2025

- with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures on documentation;
- with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible activities and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the sustainability statement;
- we checked the consistency of the disclosures contained in the sustainability statement with those included in the group's financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the sustainability statement with the ESRS;
- we obtained the representation letter.

Trieste, 24 March 2026

KPMG S.p.A.

(signed on the original)

Pietro Dalle Vedove
Director of Audit

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**FINANCIAL
STATEMENTS OF
BANCA GENERALI S.P.A.**
AT 31.12.2025



Accounting Statements

BALANCE SHEET

ASSETS

(EUROS)	31.12.2025	31.12.2024
10. Cash and deposits	333,130,070	1,008,982,106
20. Financial assets measured at fair value through profit or loss:	574,467,255	512,209,442
a) HFT financial assets	70,423,225	121,599
c) other financial assets mandatorily measured at fair value	504,044,030	512,087,843
30. Financial assets measured at fair value through other comprehensive income	3,545,782,940	1,521,863,602
40. Financial assets measured at amortised cost:	12,361,529,604	12,555,585,505
a) loans to banks	3,271,890,650	2,738,688,143
b) loans to customers	9,089,638,954	9,816,897,362
50. Hedging derivatives	153,463,535	131,220,486
70. Equity investments	183,383,874	72,263,626
80. Property and equipment	130,063,307	125,643,902
90. Intangible assets:	139,630,789	135,655,948
– goodwill	79,366,416	79,366,416
100. Tax assets:	147,391,508	85,795,778
a) current	64,951,103	3,055,673
b) prepaid	82,440,405	82,740,105
110. Non-current assets held for sale and disposal groups	1,508,000	227,182
120. Other assets	614,015,005	533,053,349
Total assets	18,184,365,887	16,682,500,926

LIABILITIES AND NET EQUITY

(EUROS)	31.12.2025	31.12.2024
10. Financial liabilities measured at amortised cost:	15,837,008,537	14,504,824,180
a) due to banks	259,773,931	359,072,784
b) due to customers	15,477,153,301	14,145,751,396
c) debt securities outstanding	100,081,305	-
20. HFT financial liabilities	70,013,798	108,632
40. Hedging derivatives	188,983,648	176,946,663
50. Adjustment to macro-hedged financial liabilities (+/-)	-4,532,354	2,141,520
60. Tax liabilities:	8,401,976	16,820,793
a) current	-	5,827,010
b) deferred	8,401,976	10,993,783
80. Other liabilities	287,631,915	289,741,218
90. Employee termination indemnities	2,864,183	3,370,323
100. Provisions for liabilities and contingencies:	329,619,468	337,684,316
a) commitments and guarantees issued	26,192,015	11,795,503
c) other provisions	303,427,453	325,888,813
110. Valuation reserves	-2,726,375	5,911,117
130. Equity instruments	100,000,000	100,000,000
140. Reserves	838,344,318	749,854,036
150. Share premium reserve	52,456,871	52,391,896
160. Share capital	116,851,637	116,851,637
170. Treasury shares (-)	-96,103,106	-87,267,787
180. Net profit for the year	455,551,371	413,122,382
Total liabilities and net equity	18,184,365,887	16,682,500,926

PROFIT AND LOSS ACCOUNT

ITEMS

(EUROS)	2025	2024
10. Interest income and similar revenues	446,514,990	480,582,491
20. Interest expense and similar charges	-120,712,391	-166,021,092
30. Net interest income	325,802,599	314,561,399
40. Fee income	867,905,869	817,167,040
50. Fee expense	-538,328,628	-508,829,447
60. Net fees	329,577,241	308,337,593
70. Dividends and similar income	250,908,060	257,769,098
80. Net income (loss) from trading activities	8,424,723	8,136,027
90. Net income (loss) from hedging	-51,532	-191,525
100. Gain (loss) on disposal or repurchase of:	10,473,429	9,810,041
a) financial assets measured at amortised cost	7,949,003	8,964,287
b) financial assets measured at fair value through other comprehensive income	2,524,426	845,754
110. Net income (loss) from financial assets and liabilities measured at fair value through profit and loss:	-5,785,855	2,458,823
b) other financial assets mandatorily measured at fair value	-5,785,855	2,458,823
120. Net banking income	919,348,666	900,881,456
130. Net adjustments/reversals for credit risk of:	-19,283,301	1,837,499
a) financial assets measured at amortised cost	-19,050,001	2,030,321
b) financial assets measured at fair value through other comprehensive income	-233,300	-192,822
150. Net income (loss) from trading activities	900,065,364	902,718,955
160. General and administrative expenses:	-387,191,357	-365,839,552
a) staff expenses	-119,622,493	-114,806,720
b) other general and administrative expenses	-267,568,863	-251,032,832
170. Net provisions for liabilities and contingencies:	-98,712,602	-121,544,385
a) commitments and guarantees issued	-43,282,589	-11,604,729
b) other net provisions	-55,430,014	-109,939,656
180. Net adjustments/reversals of property and equipment	-22,970,899	-22,418,563
190. Net adjustments/reversals of intangible assets	-18,989,171	-15,973,610
200. Other operating expenses/income	138,491,755	133,715,613
210. Operating expenses	-389,372,275	-392,060,497
220. Gains (losses) from equity investments	-3,016,539	-171,267
250. Gains (losses) on disposal of equity investments	-10,068	-
260. Profit from operating activities before income taxes	507,666,483	510,487,191
270. Income taxes for the year on operating activities	-52,115,112	-97,364,809
280. Profit from operating activities after income taxes	455,551,371	413,122,382
300. Net profit for the year	455,551,371	413,122,382

STATEMENT OF COMPREHENSIVE INCOME

ITEMS

(EUROS)	2025	2024
10. Net profit for the year	455,551,371	413,122,382
Other income net of income taxes, without transfer to Profit and Loss Account		
20. Equity securities designated at fair value through other comprehensive income	-3,152,540	-102,701
70. Defined benefit plans	-61,945	-26,211
Other income net of income taxes, with transfer to Profit and Loss Account		
120. Cash flow hedges	-2,423,844	4,702,757
140. Financial assets (other than equity securities) measured at fair value through other comprehensive income	-2,999,163	5,657,527
170. Total other income net of income taxes	-8,637,492	10,231,372
180. Comprehensive income (Items 10 + 170)	446,913,879	423,353,754

STATEMENT OF CHANGES IN NET EQUITY

ITEMS

(EUROS)	SHARE CAPITAL		SHARE PREMIUM RESERVE	RESERVES		VALUATION RESERVES	EQUITY INSTRU- MENTS	TREASURY SHARES	NET PROFIT (LOSS)	NET EQUITY
	A) ORDINARY SHARES	B) OTHER		A) RETAINED EARNINGS	B) OTHER					
Net equity at 31.12.2024	116,851,637	-	52,391,896	701,091,902	48,762,134	5,911,117	100,000,000	-87,267,787	413,122,382	1,350,863,281
Change in opening balances	-	-	-	-	-	-	-	-	-	-
Amount at 01.01.2025	116,851,637	-	52,391,896	701,091,902	48,762,134	5,911,117	100,000,000	-87,267,787	413,122,382	1,350,863,281
Allocation of net profit for the previous year:	-	-	-	81,080,298	-	-	-	-	-413,122,382	-332,042,084
- Reserves	-	-	-	85,937,798	-	-	-	-	-85,937,798	-
- Dividends and other allocations	-	-	-	-4,857,500	-	-	-	-	-327,184,584	-332,042,084
Change in reserves	-	-	-	-7,316,803	-	-	-	-	-	-7,316,803
Transactions on net equity:	-	-	64,975	7,196,194	7,530,593	-	-	-8,835,319	-	5,956,443
- Issue of new shares	-	-	64,975	-	-10,093,674	-	-	11,299,446	-	1,270,747
- Purchase of treasury shares	-	-	-	-	-	-	-	-20,134,765	-	-20,134,765
- Extraordinary dividends	-	-	-	7,196,194	-	-	-	-	-	7,196,194
- Change in equity instruments	-	-	-	-	-	-	-	-	-	-
- Derivatives on treasury shares	-	-	-	-	-	-	-	-	-	-
- Stock options	-	-	-	-	17,624,267	-	-	-	-	17,624,267
Comprehensive income	-	-	-	-	-	-8,637,492	-	-	455,551,371	446,913,879
Net equity at 31.12.2025	116,851,637	-	52,456,871	782,051,591	56,292,727	-2,726,375	100,000,000	-96,103,106	455,551,371	1,464,374,716

(EUROS)	SHARE CAPITAL		SHARE PREMIUM RESERVE	RESERVES		VALUATION RESERVES	EQUITY INSTRU- MENTS	TREASURY SHARES	NET PROFIT (LOSS)	NET EQUITY
	A) ORDINARY SHARES	B) OTHER		A) RETAINED EARNINGS	B) OTHER					
Net equity at 31.12.2023	116,851,637	-	52,992,230	635,011,859	39,057,699	-4,320,255	50,000,000	-85,005,169	314,877,430	1,119,465,431
Change in opening balances	-	-	-	-	-	-	-	-	-	-
Amount at 01.01.2024	116,851,637	-	52,992,230	635,011,859	39,057,699	-4,320,255	50,000,000	-85,005,169	314,877,430	1,119,465,431
Allocation of net profit for the previous year:	-	-	-	60,058,668	-	-	-	-	-314,877,430	-254,818,762
- Reserves	-	-	-	63,646,410	-	-	-	-	-63,646,410	-
- Dividends and other allocations	-	-	-	-3,587,742	-	-	-	-	-251,231,020	-254,818,762
Change in reserves	-	-	-	-	-	-	-	-	-	-
Transactions on net equity:	-	-	-600,334	6,021,375	9,704,435	-	50,000,000	-2,262,618	-	62,862,858
- Issue of new shares	-	-	-600,334	-	-6,913,677	-	-	7,676,701	-	162,690
- Purchase of treasury shares	-	-	-	-	-	-	-	-9,939,319	-	-9,939,319
- Extraordinary dividends	-	-	-	6,021,375	-	-	-	-	-	6,021,375
- Change in equity instruments	-	-	-	-	-	-	50,000,000	-	-	50,000,000
- Derivatives on treasury shares	-	-	-	-	-	-	-	-	-	-
- Stock options	-	-	-	-	16,618,112	-	-	-	-	16,618,112
Comprehensive income	-	-	-	-	-	10,231,372	-	-	413,122,382	423,353,754
Net equity at 31.12.2024	116,851,637	-	52,391,896	701,091,902	48,762,134	5,911,117	100,000,000	-87,267,787	413,122,382	1,350,863,281

CASH FLOW STATEMENT

INDIRECT METHOD

(EUROS)

2025

2024

A. OPERATING ACTIVITIES		
1. Operations	56,590,032	128,231,639
Net profit (loss) for the year	455,551,371	413,122,382
Gain/loss on HFT financial assets and other assets and liabilities measured at fair value through profit or loss	8,591,071	1,259,684
Gain/loss on hedging assets	3,457,303	-6,927,887
Net adjustments/reversals for credit risk	19,283,301	-1,837,499
Net adjustments/reversals of property, equipment and intangible assets	41,960,070	38,392,173
Net provisions for liabilities and contingencies and other costs/revenues	-8,064,848	75,146,109
Taxes, duties and tax credits not paid	-62,780,106	-46,780,317
Net adjustments to/reversals of assets held for sale	3,016,539	-
Other adjustments	-404,424,670	-344,143,007
2. Liquidity generated by/used for financial assets (+/-)	-1,910,367,509	-671,253,642
HFT financial assets	-70,195,758	155,171
Other financial assets mandatorily measured at fair value	-633,385	-4,217,603
Financial assets measured at fair value through other comprehensive income	-2,027,259,285	-498,942,337
Financial assets measured at amortised cost:	200,736,559	-200,854,799
<i>Loans to banks</i>	-529,941,730	-462,401,634
<i>Loans to customers</i>	730,678,289	261,546,834
Other assets	-13,015,640	32,605,926
3. Liquidity generated by/used for financial liabilities (+/-)	1,408,642,992	971,070,744
Financial liabilities measured at amortised cost:	1,332,027,698	993,484,925
<i>Due to banks</i>	-99,221,808	122,070,519
<i>Due to customers</i>	1,331,249,506	871,414,406
Debt securities outstanding	100,000,000	-
HFT financial liabilities	70,129,414	-50,027
Other liabilities	6,485,880	-22,364,154
Net liquidity generated by/used for operating activities	-445,134,485	428,048,740

(EUROS)

2025

2024

B. INVESTING ACTIVITIES		
1. Liquidity generated by	247,601,077	256,531,318
Disposal of equity investments	-	71,318
Dividends received	249,550,000	256,460,000
Disposal of property and equipment	-1,948,923	-
2. Liquidity used for	-138,608,799	-36,092,564
Purchase of equity investments	-115,644,787	-13,986,616
Purchase of property and equipment	-	-1,852,376
Purchase of intangible assets	-22,964,012	-20,253,572
Net liquidity generated by/used for investing activities	108,992,278	220,438,754
C. FUNDING ACTIVITIES		
Issue/purchase of treasury shares	-18,864,018	-9,776,629
Issue/purchase of equity instruments	-	50,000,000
Distribution of dividends and other	-320,845,810	-253,302,226
Net liquidity generated by/used for funding activities	-339,709,828	-213,078,855
NET LIQUIDITY GENERATED/USED IN THE YEAR	-675,852,036	435,408,639
Reconciliation		
Cash and cash equivalents at year-start	1,008,982,106	573,573,467
Total liquidity generated/used in the period	-675,852,036	435,408,639
Cash and cash equivalents – effects of exchange rate fluctuations	-	-
Cash and cash equivalents at year-end	333,130,070	1,008,982,106

Legend:

(+) Liquidity generated

(-) Liquidity used

Notes and Comments

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PART A – ACCOUNTING POLICIES

Part A.1 – General

Section 1 – Declaration of Compliance with International Accounting Standards

These Financial Statements have been drawn up in compliance with Italian Legislative Decree No. 38 of 28 February 2005, based on the International Accounting Standards issued by the International Accounting Standards Board (IASB) and interpretation of the International Financial Reporting Interpretations Committee (IFRIC), and endorsed by the European Commission with Regulation No. 1606 of 19 July 2002.

In preparing the Financial Statements, Banca Generali adopted the IAS/IFRS in force at the reference date of the report (including SIC and IFRIC interpretations), as endorsed by the European Union.

It should be noted that, following the completion of the endorsement procedure, as of 1 January 2025, several amendments to the IAS/IFRS and IFRIC were adopted and new IFRIC were issued.

INTERNATIONAL ACCOUNTING STANDARDS ENDORSED IN PREVIOUS YEARS AND EFFECTIVE AS OF 2025

	ENDORSEMENT REGULATIONS	PUBLICATION DATE	EFFECTIVE DATE
Amendments to IAS 21 – <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i> (issued on 15 August 2023)	2024/2862	13.11.2024	01.01.2025

INTERNATIONAL ACCOUNTING STANDARDS ENDORSED IN 2025 AND EFFECTIVE AS OF 2025

	ENDORSEMENT REGULATIONS	PUBLICATION DATE	EFFECTIVE DATE
-	-	-	-

INTERNATIONAL ACCOUNTING STANDARDS ENDORSED BUT NOT EFFECTIVE YET

	ENDORSEMENT REGULATIONS	PUBLICATION DATE	EFFECTIVE DATE
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024)	2025/1047	28.05.2025	01.01.2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024)	2025/1266	01.07.2025	01.01.2026
Annual Improvements – Volume 11 – IAS 7, IFRS 1, IFRS 7, IFRS 9, IFRS 10 (issued on 18 July 2024)	2025/1331	09.07.2025	01.01.2026

The date of entry into force of some of the already endorsed standards has been postponed until subsequent years. The early application option has not been exercised for those standards.

The standards and interpretations that entered into force in 2025 did not have a significant impact on the Bank's balance sheet and profit and loss account.

Section 2 – Preparation Criteria

The Financial Statements consist of the following documents:

- › Balance Sheet;
- › Profit and Loss Account;
- › Statement of Other Comprehensive Income;
- › Statement of Changes in Net equity;
- › Cash Flow Statement;
- › Notes and Comments.

The accounts are accompanied by a Directors' report on the Bank's operations, financial situation, profit and loss and balance sheet results.

According to the provisions of Article 41, paragraph 5, of Legislative Decree No. 136/2015 of 18 August 2015, implementing Directive No. 2013/34/EU, the Consolidated Report on Operations and the Separate Report on Operations of the company may be presented as a single document, in which additional attention is dedicated to issues relevant to the entirety of the companies within the scope of consolidation, as appropriate.

Banca Generali elected to exercise this option by presenting a single document. Consequently, the Consolidated Report on Operations also includes the information required for the Separate Report on Operations.

In compliance with the requirements of Article 5 of Italian Legislative Decree No. 38/2005, the Financial Statements were prepared in euros. All amounts in the Accounting Statements are expressed in euro units, while the figures in the Notes and Comments and the Directors' Report on Operations, unless otherwise specified, are expressed in thousands of euros.

The Financial Statements and Notes and Comments include figures for the period under review, as well as comparative data at 31 December 2024.

The Financial Statements are prepared by applying the general standards set out in IAS 1 and the specific accounting standards approved by the European Commission, as illustrated in Part A.2 of these Notes and Comments.

International accounting standards have been applied in compliance with the Framework for the Preparation and Presentation of Financial Statements drafted by the IASB.

There were no derogations of the application of IAS/IFRS.

The Directors' Report on Operations and the Notes and Comments include the information required by international accounting standards, the law, the Bank of Italy and the Italian National Commission for Listed Companies and the Stock Exchange (Consob), as well as other non-compulsory information that was deemed necessary to provide an accurate and fair picture of the Bank's situation.

The measurement criteria have been adopted on a going-concern basis and are shaped by the principles of accrual-basis accounting and the relevance and meaningfulness of accounting disclosures. Economic substance takes precedence over legal form.

In further detail, the Directors are reasonably certain that the Bank will continue to operate in its current form for the foreseeable future (for at least 12 months) and have prepared the Financial Statements on a going-concern basis. Any uncertainty detected has not been deemed material and does not cast doubt on the Group's ability to operate as a going concern.

Content of the Financial Statements and the Notes and Comments

The Financial Statements at 31 December 2025 were prepared based on the "Instructions for Preparing the Financial Statements and Consolidated Financial Statements of Banks and Parent Holding Companies of Banking Groups," which were issued by the Bank of Italy with order dated 22 December 2005 in the exercise of the powers established in Article 43 of Italian Legislative Decree No. 36/2015. Such instructions were issued in Circular No. 262/05, as further updated.

These Instructions set forth binding rules governing the presentation and preparation of financial statements and the minimum content of the Notes and Comments.

In detail, the 8th update to Circular No. 262/2005 was published on 17 November 2022. It governs the effects of the entry into force of IFRS 17 for banking conglomerates with equity interests in insurance companies, effective from financial statements closed on 31 December 2023.

Accounts that do not include items pertaining to the year under review or the previous year are not stated in the Balance Sheet and Profit And Loss Account. Likewise, sections or tables that include no values are not included in the Notes and Comments.

The Statement of Comprehensive Income begins with the net profit (loss) for the year and then presents components of profit and loss recognised through valuation reserves, net of the related tax effect, in accordance with international accounting standards. Comprehensive income is presented by providing a separate account of components of profit and loss that will not be reversed to the profit and loss account in the future, and components that may subsequently be reclassified to net profit (loss) for the year under certain conditions.

As for the balance sheet and profit and loss account, items with nil amounts in both the reporting year and previous year are not presented.

The Statement of Changes in Net Equity is presented by inverting the rows and columns with respect to the presentation requested by Bank of Italy Circular No. 262/2005.

The statement presents the composition of and changes in net equity accounts during the reporting year and the previous year, broken down into share capital, capital reserves, earnings reserves, asset and liability valuation reserves, and net profit. Treasury shares are recorded as a reduction to net equity.

The Cash Flow Statement was prepared using the indirect method, according to which cash flows from operating activities are derived by adjusting net profit for the effects of non-cash transactions.

Cash flows are broken down into:

- › cash flows from operating activities, including cash flows from operations and cash flows from increases and decreases in financial assets and liabilities;
- › cash flows generated by (used for) investing activities involving fixed assets;
- › cash flows generated by (used for) funding activities linked to the acquisition of own funds and their remuneration.

Specifically, sections 2 and 3 include only cash generated by (used for) the decrease (increase) in financial assets or the increase (decrease) in financial liabilities resulting from new transactions or reimbursements related to existing transactions.

Accordingly, these sections do not include items such as changes in value (value adjustments/reversal), amortisation and depreciation, the net balance of unpaid taxes (current and deferred), interest and unpaid or uncollected fees; these items have been disclosed separately and classified under operating activities.

Moreover, these cash flows also do not include changes in operating assets and liabilities, but include those relating to financing activities, such as changes in operating loans and amounts payable to Financial Advisors and employees and any related advance payments.

Section 3 – Events Occurred After the Balance Sheet Date

The draft Financial Statements of Banca Generali were approved by the Board of Directors on 4 March 2026, when the Board also authorised its disclosure pursuant to IAS 10.

No significant events occurred after 31 December 2025 and until 4 March 2026 that would remarkably impact the Bank's statement of financial position, income statement, cash flow statement reported in these Financial Statements.

However, the following non-adjusting events occurred:

- › on 15 January 2026, Banca Generali purchased the residual non-controlling interest still held by the previous shareholders of Intermonte Partners SIM S.p.A., thus achieving full control of the latter;
- › on 23 February 2026, the merger of the subsidiary Intermonte Partners SIM S.p.A. into Banca Generali became effective.

Section 4 – Other Aspects

Accounting standards that have been endorsed and will enter into effect this year

No new international accounting standards, amendments to existing standards or related interpretations with a material impact on the Bank's operations entered into effect in financial year 2025.

Accounting standards endorsed that will enter into effect after 31 December 2025

There are no international accounting standards and related interpretations endorsed but not effective yet as of 31 December 2025 that could have a material impact on the Bank's operations.

Use of estimates and assumptions in the preparation of the Financial Statements

The preparation of the Financial Statements requires the use of estimates and assumptions that could influence the amounts reported in the balance sheet and profit and loss account and the disclosure of contingent assets and liabilities therein.

The estimates and related assumptions used are based on the information available on operations and subjective judgements, which may be based on historical trends.

Given their nature, the estimates and assumptions used may vary from year to year, meaning that reported amounts may differ materially due to changes in the subjective judgements used.

The main areas for which management is required to use subjective judgements include:

- › determining the amount of provisions for liabilities and contingencies;
- › determining the expenses of personnel productivity bonuses;
- › determining the amount of incentive fees to be paid to the Financial Advisor Network as an annual incentive and of incentives related to recruitment plans;
- › determining the deferred incentives granted to the Financial Advisor Network, when linked to defined net inflow targets;
- › determining the fair value of cash financial instruments and derivatives to be used in financial statement, when not based on current prices drawn from active markets;
- › determining the analytical and collective impairment of financial instruments;
- › determining the value adjustments and reversals of non-performing loans and the collective provision for performing loans;
- › preparing estimates and assumptions underlying the determination of current taxes, which may differ from the effective tax liability computed in conjunction with the payment of the balance of taxes for the year and the filing of the income tax return;
- › preparing estimates and assumptions on the recoverability of deferred tax assets;

- › evaluating the appropriateness of the amounts of goodwill and other intangible assets;
- › classifying and evaluating the Forward fund;
- › evaluation of financial guarantees issued in favour of several investments made by customers in illiquid assets distributed by the Bank that were marked by investment repayment issues and the associated receivables recognised following their enforcement.

Additional information regarding the estimation procedures used for specific cases is provided in Part A, Section 2, of the Notes and Comments on the Accounting Policies adopted by Banca Generali.

Measurement of goodwill

During the preparation of the 2025 Financial Statements, goodwill was tested for impairment and the carrying value was determined to be accurate.

Non-recurring significant events and transactions

In the year, the following non-recurring transactions or events outside the ordinary course of business occurred, generating a significant impact on the balance sheet and profit and loss account items:

- › on 31 January 2025, Intermonte SIM Group was acquired, following the successful Tender Offer launched by Banca Generali;
- › on 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, the Board of Directors authorised the exercise of the put option envisaged by the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026;
- › on 25 September 2025, Banca Generali's Board of Directors approved the plan for merging Intermonte Partners S.p.A. After receiving the Bank of Italy's authorisation, the merger plan was filed with the relevant Registries of Companies on 18 December 2025. The transaction was finalised in February 2026;
- › on 15 December 2025, a preferred senior bond eligible for MREL purposes was issued for an aggregate value of 100 million euros, fully subscribed by Assicurazioni Generali S.p.A. through a private placement;
- › on 1 August 2025, the EU Court of Justice, through its Judgement concerning the joined cases from C-92/24 to C-94/24 (so-called "Mediolanum Judgment"), acknowledged the incompatibility of the Italian law that provides for the inclusion in the basis of assessment for IRAP tax of dividends that financial and insurance intermediaries receive from their EU subsidiaries. The subsequent incorporation into the Italian 2026 Budget Law (Law No. 199/2025) of the principles laid down in said Judgement also recognised the right to receive the reimbursement of the higher IRAP paid in prior years, while also acknowledging the validity of all applications submitted before 31 December 2025. In accordance with the principles set forth in the EU Court of Justice's Judgement and the subsequent incorporation into the Italian law, a net amount of 39 million euros tax receivables from Tax Authorities were recognised, accounting for the higher IRAP tax paid with regard to the applications already submitted.

It should also be noted that in the year non-recurring provisions and adjustments totalling 61.5 million euros were recognised to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues — for which civil and criminal litigation is currently ongoing with the party that set up, marketed and managed these transactions — and to sustain customer retention.

In particular, provisions referred for 45.5 million euros to commercial initiatives for customers, including guarantees issued, additional potential customer losses that the Bank might cover in part for the reasons stated above and the legal fees for the litigation with the parties that set up, marketed and managed the financial instruments purchased by customers.

Value adjustments included a net 16.0 million euros (15.7 million euros net of 0.3 million euro receivables for late payment interest) referring to value adjustments to the rights of recourse related to the enforcement of guarantees and of amounts receivable in relation to usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024 (4.8 million euros).

No other atypical and unusual transactions were undertaken, i.e., all transactions that due to their significance/materiality, the nature of the counterparties, the subject matter of the transaction (including in relation to ordinary operations), the transfer pricing method and/or timing of occurrence (near the end of the reporting period) may give rise to doubts as to the accuracy/completeness of the information presented in the financial statements, conflicts of interest, the safeguarding of company assets and the protection of minority shareholders (Consob Communication No. DEM/6064293 of 28 July 2006).

National Tax Consolidation option

In 2004, the Parent Company, Assicurazioni Generali, and some Italian companies belonging to Assicurazioni Generali Group, including Banca Generali S.p.A., began participating in the National Tax Consolidation governed by Articles 117-129 of TUIR (Italy's income tax code), which was introduced into Italy's fiscal legislation by Italian Legislative Decree No. 344/2003.

Under the scheme, Banca Generali transfers its taxable profit (or tax losses) to the parent company, Assicurazioni Generali S.p.A., which computes a single taxable profit (or a single tax loss) for the Group as the sum of the profits and/or losses of the individual companies, and reports a single tax receivable from or payable to the Tax Authorities.

Formation of Assicurazioni Generali VAT Group

On 23 September 2019, as Representative of the Group's Italian subsidiaries, Assicurazioni Generali exercised the option to adopt the Group's VAT rules (set out in Articles 70-*bis et seqq.* of Italian Presidential Decree No. 633/72) with effect from 1 January 2020.

Accordingly, with effect from that date all companies included in the VAT Group will use only the VAT registration number assigned by the Italian Tax Authorities to the Group: 01333550323.

Relations between the individual participants and the Group's Representative (Assicurazioni Generali S.p.A.) are governed by a specific contract. In particular, obligations to document and register VAT input and/or output transactions will continue to be discharged by the individual participants, whereas the additional obligations relating to "management" of the tax will be discharged solely by the Group Representative, in its capacity as single VAT-liable entity.

By express provision of law, the Group VAT Representative will be required to file periodic VAT returns and make the related payments, submit the periodic VAT filings (LIPE), file the annual VAT return and submit the other information required by the relevant legislation (e.g., Esterometro and Intrastat statistics).

Other information

Information on government grants pursuant to Article 1, paragraph 125, of Italian Law No. 124 of 4 August 2017 ("Annual market and competition law")

In compliance with Article 1, paragraph 125-*bis*, of Law No. 124/2017 (Annual market and competition law), as most recently amended by Article 35 of Decree-Law No. 34/2019 (Growth Decree), companies are required to disclose annually, in the Notes and Comments to their financial statements, the amount of government grants received, where grants are understood to refer to "subventions, subsidies, benefits, grants or aid, in cash or in kind, not of a general nature and not of the nature of consideration, remuneration or compensation, actually disbursed to them by public administrations."

The obligation applies solely to grants in excess of the threshold of 10,000 euros per grantor authority, whether of a monetary nature, on a cash basis, or of a non-monetary nature.

Paragraph 125-*quinquies* of the statute also establishes that in the case of State aid and de minimis aid included in the National State Aid Registry the registration and publication of the individual aid in the transparency section must take account of the publication obligations incumbent on the beneficiary companies, provided that the existence of aid subject to mandatory publication in the National State Aid Registry is disclosed in the Notes and Comments to the financial statements.

For further details on the grants received, reference should be made to the website of the National State Aid Registry for companies, which may be consulted at the link www.rna.gov.it/sites/PortaleRNA/it_IT/home.

In light of the foregoing, it should be noted that in 2025 Banca Generali received the following grants:

BENEFICIARY	TYPE OF GRANT	GRANTOR AUTHORITY	AMOUNTS RECEIVED
Banca Generali	Personnel training ^(*)	FBA Banks and Insurers' Fund ^(*)	87

(*) This sum refers to aids for personnel training applied for in 2022 and paid in April 2025. It should be noted that for grants with 2025 as the grant date, listed in the National State Aid Registry, available for free consultation on the relevant website, no disbursements were made in the year that has just ended.

Audit

The Financial Statements are subject to auditing by the firm KPMG S.p.A. in execution of the resolution passed by the Shareholders' Meeting on 22 April 2021.

Part A.2 – Main Financial Statements Aggregates

This section sets out the accounting policies adopted for the preparation of the Financial Statements at 31 December 2025, as regards the stages of classification, recognition, measurement and derecognition of the various asset and liability items and the methods of recognition of costs and revenues.

With reference to the foregoing, it should be noted that during the reporting year, the accounting policies adopted by the Bank underwent no significant amendments and supplementations.

The accounting standards and measurement criteria used are therefore the same as those used to prepare the Financial Statements at 31 December 2024.

In light of the above, the accounting policies of Banca Generali are reported here below with an analysis of the main financial statements items.

1. Financial assets measured at fair value through profit or loss (FVTPL)

Classification

This category includes all financial assets other than those recognised among Financial assets measured at fair value through other comprehensive income and Financial asset measured at amortised cost.

In particular, the item includes:

- › financial assets held for trading, essentially consisting of debt and equity securities and the positive value of derivative contracts held for trading; such assets are included in the regulatory trading book (the “trading book” pursuant to IFRS 9) and are also known as “hold-to-sell” or “HTS” assets;
- › financial assets mandatorily measured at fair value, i.e., financial assets that do not meet the requirements for measurement at amortised cost or fair value through other comprehensive income. These are financial assets the contractual terms of which do not provide solely for payments of principal and interest (“SPPI test” not passed) or that are not held within a business model whose objective is to hold the assets to collect the contractual cash flows (a “hold-to-collect” business model) or whose objective is achieved by both collecting the contractual cash flows and selling the financial assets (a “hold-to-collect-and-sell” business model);
- › financial assets designated at fair value, i.e., financial assets identified as such upon initial recognition, where the requirements have been met. In cases of this kind, upon recognition an entity may irrevocably designate a financial asset as measured at fair value through profit or loss if, and only if, so doing eliminates or significantly reduces a measurement or recognition inconsistency.

Accordingly, the following are included in this item:

- › debt securities and loans that are held within an Other/Trading business model (i.e., not a hold-to-collect or hold-to-collect-and-sell business model) or that do not pass the SPPI test;
- › equity securities — not qualifying as controlling interests in subsidiaries, associates and joint ventures — that are held for trading or that were not designated at fair value through other comprehensive income upon initial recognition;
- › UCITS units.

The item also includes derivatives accounted for among financial assets held for trading, classified as assets if fair value is positive, and as liabilities if fair value is negative.

It is possible to set off current positive and negative values deriving from outstanding transactions with the same counterparty only if there is currently a legal right to set off the recognised amounts and the entity intends to settle the positions subject to offsetting on a net basis.

Derivatives also include those embedded in hybrid financial contracts, in which the host contract is a financial liability, and which have been separately recognised inasmuch as:

- › their economic characteristics and risks are not closely related to the characteristics of the underlying contract;
- › the embedded instruments considered separately meet the definition of a derivative;
- › the hybrid instruments in which they are embedded are not measured at fair value and changes in fair value are recognised in profit or loss.

According to the general rules for the reclassification of financial assets (with the exception of equity securities, which cannot be reclassified) laid down by IFRS 9, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for managing financial assets. In such cases, which are expected to be quite rare, financial assets may be reclassified from measured at fair value through profit or loss to one of the two other categories provided for in IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through other comprehensive income). The transfer value is the fair value at the time of reclassification and the effects of reclassification apply prospectively from the

reclassification date. In such cases, the effective interest rate of the reclassified financial asset is determined on the basis of its reclassification date fair value, and the reclassification date is taken as the date of initial recognition for allocation to the various credit risk stages (stage assessment) for impairment purposes.

Recognition

Debt and equity securities are initially recognised on the settlement date. Loans are initially recognised on the disbursement date, while derivative contracts on the date the contract is entered into.

Financial assets measured at fair value through profit and loss are initially recognised at fair value, less transaction costs or income directly related to the instrument itself.

Measurement

Subsequent to initial recognition, financial assets held for trading are recognised at fair value. The effects of the application of these measurement criteria are recognised in profit and loss.

The fair value of financial instruments traded in active markets is determined by referring to the appropriate quoted market price of such instruments.

A financial instrument is regarded as listed in an active market if quoted prices represent actual and regularly occurring market transactions on an arm's length basis over a normal reference period and those prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service or authorised entity.

In the absence of an active market, alternative valuation methods based on market data are used, such as quotes drawn from inactive markets, or on markets where similar instruments are traded, the notional value of financial instruments, quotes from brokers or placing agents involved in the issue of financial instruments, quotes from info providers specialised in specific sectors, and values drawn from recent comparable transactions.

The cost criterion is used for equity securities and derivative instruments that have as their underlying equity securities, not listed on an active market, as an estimate of fair value solely to a residual degree and limited to a few cases, such as cases in which all previously discussed measurement methods are not applicable, or where there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within the range.

Further information on the criteria used for determining fair value is given in Section "A.4 Information on fair value" of Part A of these Notes and Comments.

Derecognition

Financial assets are derecognised when the contractual rights to receive the cash flows from the financial asset expire or when the financial asset, together with substantially all related risks and rewards, is transferred.

Conversely, if a significant share of the risks and rewards relating to the transferred financial assets is retained, these assets will continue to be carried in the financial statements, even though the ownership of said assets has been effectively transferred in legal terms.

In cases where the transfer of substantially all risks and rewards cannot be assessed, derecognition occurs when no control has been retained over such assets. Conversely, if even partial control is retained, the assets continue to be recognised in the financial statements to the extent of residual control, which is measured by the exposure to changes in the value of the transferred assets and related cash flows.

In addition, transferred financial assets are also derecognised from the financial statements if contractual rights to receive the asset's cash flows are retained, but a contractual obligation to pay, without a significant delay, those (and only those) cash flows to a third party is assumed.

2. Financial assets measured at fair value through other comprehensive income (FVOCI)

Classification

This category includes financial assets that satisfy both of the following conditions:

- › the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets (a "hold-to-collect-and-sell" business model); and
- › the contractual terms of the financial asset give rise, on specific dates, to cash flows consisting solely of payments of principal and interest ("SPPI test" passed).

The item also includes equity instruments not held for trading electively designated at fair value through other comprehensive income upon initial recognition.

Specifically, it includes:

- › debt securities and loans held within a hold-to-collect-and-sell business model that have passed the SPPI test;
- › equity interests, equity investments and capital contributions of various kinds not qualifying as controlling interests in subsidiaries, associates and joint arrangements, not held for trading purposes, designated at fair value through other comprehensive income.

According to the general rules for the reclassification of financial assets (with the exception of equity securities, which cannot be reclassified) laid down by IFRS 9, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for managing financial assets.

In such cases, which are expected to be quite rare, financial assets may be reclassified from measured at fair value through other comprehensive income to one of the two other categories provided for in IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of reclassification and the effects of reclassification apply prospectively from the reclassification date. In the event of reclassification from this category to that at amortised cost, the cumulative gain (loss) recognised in the valuation reserve is taken as an adjustment of the financial asset's fair value at the reclassification date. In the event of reclassification to fair value through profit or loss, the cumulative gain (loss) previously recognised in the valuation reserve is reclassified from net equity to net profit (loss) for the year.

Recognition

Debt and equity securities are initially recognised on the settlement date. Loans are initially recognised at the disbursement date. Assets are initially recognised at fair value, including transaction costs or income directly related to the instrument.

Measurement

After initial recognition, assets designated at fair value through other comprehensive income other than equity securities are measured at fair value and the impact of the application of amortised cost, the effects of impairment and any foreign exchange effect are taken to profit or loss, whereas other gains or losses due to changes in fair value are entered to a specific equity reserve until the financial asset is derecognised.

Upon total or partial derecognition, cumulative gains or losses in the valuation reserve are recognised, fully or partially, through profit or loss.

Equity securities that have been classified to this category on an elective basis are measured at fair value through other comprehensive income (net equity) and cannot be transferred to profit and loss thereafter, even in the event of disposal. The only component attributable to the equity instruments in question that may be recognised in profit or loss is the related dividends.

Fair value is determined on the basis of the criteria set out above for financial assets measured at fair value through profit or loss. In the case of equity securities included in this category not listed on an active market, the cost criterion is only used to estimate fair value on a residual basis, limited to a few circumstances, i.e., where all previously discussed measurement methods do not apply, or where there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within the range.

Further information on the criteria used for determining fair value is given in Section "A.4 Information on fair value" of Part A of these Notes and Comments.

Derecognition

Financial assets are derecognised from the financial statements only if the transfer results in the transfer of substantially all risks and rewards connected to such assets. Conversely, if a significant share of the risks and rewards relating to the transferred financial assets is retained, these assets will continue to be carried in the financial statements, even though the ownership of said assets has been effectively transferred in legal terms.

In cases where the transfer of substantially all risks and rewards cannot be assessed, derecognition occurs when no control has been retained over such assets. Conversely, if even partial control is retained, the assets continue to be recognised in the financial statements to the extent of residual control, which is measured by the exposure to changes in the value of the transferred assets and related cash flows.

In addition, transferred financial assets are also derecognised from the financial statements if contractual rights to receive the asset's cash flows are retained, but a contractual obligation to pay, without a significant delay, those (and only those) cash flows to a third party is assumed.

3. Financial assets measured at amortised cost

Classification

This category includes financial assets (and in particular loans and debt securities) that satisfy both of the following conditions:

- › the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows (a "hold-to-collect" business model); and
- › the contractual terms of the financial asset give rise, on specific dates, to cash flows consisting solely of payments of principal and interest ("SPPI test" passed).

In further detail, the following are classified to this item:

- › loans to banks in various forms that meet the requirements set out in the foregoing paragraph;
- › loans to customers in various forms that meet the requirements set out in the foregoing paragraph;

- › debt securities that meet the requirements set out in the foregoing paragraph.

This category also includes operating loans associated with the provision of financial assets and services, as defined in the Consolidated Law on Banking (TUB) and the Consolidated Law on Finance (TUF) (e.g., the distribution of financial products and servicing activities). This latter category also includes receivables from financial partners and receivables from the Financial Advisor Network for advances on fees paid.

According to the general rules for the reclassification of financial assets laid down by IFRS 9, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for managing financial assets. In such cases, which are expected to be quite rare, financial assets may be reclassified from the category measured at amortised cost to one of the two other categories provided for in IFRS 9 (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of reclassification and the effects of reclassification apply prospectively from the reclassification date. Gains or losses resulting from the difference between the amortised cost and fair value of a financial asset are taken to profit or loss in the event of reclassification to financial assets measured at fair value through profit or loss, and to a specific valuation reserve in net equity in the event of reclassification to financial assets measured at fair value through other comprehensive income.

Eligibility of the sale of financial instruments classified to the HTC portfolio

The accounting standard IFRS 9 recognises the eligibility of the sale of financial instruments classified to the HTC portfolio, assets in which are normally held to collect their contractual cash flows until maturity, as a condition for the ordinary management of such portfolios, without calling the goal of the business model into question.

In particular, sales are deemed fully consistent with the model in the event of a significant increase in credit risk, other negative changes of a regulatory or tax nature, proximity to maturity or, in the absence of such reasons, where the sales are:

- › infrequent, even if significant in value;
- › not significant in value (whether separately or collectively), although frequent.

Within this framework, in the new business conditions in which Banca Generali finds itself to operate, characterised by a more severe stress situation and a more volatile context, a suitability assessment of the size of current and prospective financial investment portfolios provided for in the Strategic Plan and a comparison with the most common management practices on the market identified the need to proceed with a revision of the thresholds for the eligibility of sales, which for 2025 were as follows:

- › extension of the materiality thresholds for sales considered non-significant to 10.38% of the total portfolio (9.91% in 2024) and to 5% of the individual ISIN, and for infrequent sales to 14.7% of the total portfolio;
- › adoption of a method for determining limits based not only on historical sales, but also current and future sales;
- › identification of specific grounds for eligibility of sales in rare, unexpected and unforeseeable conditions;
- › adjustment of the period of eligibility of sales near maturity to 12 months prior to the maturity of the financial instrument.

Recognition

Debt securities are initially recognised on the settlement date, whereas loans are initially recognised on the disbursement date. Assets are initially recognised at fair value, including transaction costs or income directly related to the instrument.

In the case of loans, in particular, the date of disbursement normally coincides with the date of execution of the contract. If the two dates do not coincide, a commitment to disburse funds terminating on the date of disbursement of the loan is added when the contract is executed. A loan is initially recognised on the basis of the fair value of the same, which is equal to the amount disbursed or the subscription price, including costs/income directly attributable to the individual loan that may be determined at the inception of the transaction, even if settled at a later time. Costs with the above-described characteristics are excluded if they are to be repaid by a third-party borrower or can be considered normal, internal, general and administrative expenses.

Measurement

After initial recognition, these financial assets are measured at amortised cost using the effective interest-rate method. Accordingly, such assets are measured at an amount equal to their initial recognition value, minus capital redemptions, plus or minus cumulative amortisation (calculated according to the aforementioned effective interest-rate method) of the difference between that initial amount and its value at maturity (typically derived from the costs/income directly attributable to the individual asset) and adjusted by loss allowance, if any. The effective interest rate is the rate that equates the present value of discounted future cash outflows (for principal and interest payments) with the amount disbursed including the costs and income relating to the said financial asset. This method of recognition allows, by applying a financial logic, the financial effect of the costs and income directly attributable to a financial asset to be distributed across its expected residual life.

The amortised cost method is not used for assets measured at historical cost whose short durations suggest that the effects of discounting would be negligible, nor is it applied to assets without fixed maturities or revocable lines of credit.

The measurement criteria are closely connected to the inclusion of the instruments in question in one of the three stages (credit risk stages) provided for in IFRS 9, the last of which (stage 3) includes non-performing financial assets, and the remainder (stages 1 and 2) performing financial assets.

In terms of the accounting treatment of the above measurement effects, adjustments attributable to this type of asset are taken to profit or loss:

- › upon initial recognition, in an amount equal to the expected loss at twelve months;
- › upon subsequent measurement of the asset, where credit risk has not increased significantly compared with initial recognition, in respect of changes in the amount of adjustments for expected losses in the following twelve months;
- › upon subsequent measurement of the asset, where the credit risk has increased significantly with respect to initial recognition, in respect of the recognition of adjustments for expected credit losses attributable to the asset's entire expected residual contractual life;
- › upon subsequent measurement of the asset, where, after a significant increase in credit risk with respect to initial recognition, this increase has ceased to be significant in respect of the adjustment of cumulative impairment losses to account for the transition from an expected loss over the entire residual lifetime of the instrument to the expected loss over a twelve-month period.

Where performing, the financial assets in question are measured with the aim of determining the impairment losses to be recognised at the level of each individual credit relationship (or "tranche" of a security) on the basis of the risk parameters of probability of default (PD), loss given default (LGD) and exposure at default (EAD).

If, in addition to a significant increase in credit risk, there is objective evidence of impairment, the amount of the loss is measured as the difference between the carrying amount of the asset — classified as "non-performing" along with all other relationships with the counterparty in question — and the present value of the estimated future cash flows, discounted at the original effective interest rate.

The amount of the loss, to be recognised in profit or loss, is determined on the basis of a measurement process performed for individual assets or uniform categories of assets, and then allocated to each position.

Non-performing loans include financial instruments classified as follows:

- 1) **bad loans**: this category refers to formally non-performing loans, consisting of exposures to customers who are in a state of insolvency, regardless of whether confirmed by a court, or in similar situations;
- 2) **unlikely to pay**: these are on- and off-balance sheet exposures for which the conditions have not been met for classification as bad loans and for which it is deemed unlikely that the borrower will be capable of fulfilling all of its debt obligations (in terms of principal and/or interest) in the absence of actions such as the enforcement of guarantees. This assessment is conducted regardless of the presence of any past due and unpaid amounts or instalments.
The classification as unlikely to pay is not necessarily tied to the explicit presence of anomalies (non-payment), but rather is linked to the existence of elements indicative of a situation of risk of default of the borrower;
- 3) **non-performing overdrawn or past-due exposures**: these are on-balance sheet exposures other than those classified as bad debts or unlikely to pay loans that are overdrawn or past due by more than 90 days at the reporting date. Non-performing overdrawn or past-due exposures may be identified in reference to either the individual borrower or individual transaction.

Expected cash flows take account of expected collection times and the presumed realisable value of any underlying guarantees. The original effective interest rate of each asset remains unchanged over time, even if a renegotiation of the terms results in a change of the contractual rate, including if the contract becomes non-interest-bearing.

If the reasons for impairment cease to exist due to an event occurring after the impairment was recognised, the impairment loss is reversed and the reversal is recognised in profit or loss. The reversal may not exceed the amortised cost that would have been attributable to the asset had the impairment not been recognised. Reversals due to the passage of time are taken in net interest income.

In some cases, over the lifetimes of the financial assets in question, and in particular over those of loans, the original contractual conditions are modified at the will of the parties to the contract.

When contractual terms are modified in the course of an instrument's life, it must be verified whether the original asset is to continue to be recognised in the financial statements or the original instrument is instead to be derecognised and a new financial instrument recognised.

When the modifications of financial assets are "substantial", the original asset is generally derecognised and a new asset is instead recognised. A modification is determined to be "substantial" on the basis of both qualitative and quantitative elements. In some cases, in fact, it may be clear, without the need for complex analyses, that the changes made substantially modify an asset's contractual characteristics and/or cash flows, whereas in other cases additional analyses (including of a quantitative nature) must be conducted to measure the effects of such modifications and verify whether the asset should be derecognised and a new financial instrument recognised.

Accordingly, the qualitative and quantitative analyses, aimed at determining whether contractual modifications of a financial asset are substantial, must be based on:

- › the purposes of the modifications: for example, renegotiations for commercial reasons and forbearance measures due to financial difficulties by the counterparty;
 1. the former, aimed at “retaining” the customer, involve a debtor not in a situation of financial difficulty. This category also encompasses all renegotiation transactions aimed at adjusting the cost of debt to market conditions. Such transactions entail a modification of the original terms of the contract, typically at the debtor’s request, relating to aspects affecting the cost of the debt, with the resulting economic benefit for the debtor. It is generally held that, whenever the bank renegotiates in order to avoid losing a customer, such renegotiation must be considered substantial inasmuch as, had it not occurred, the customer could have obtained financing from another intermediary and the bank would have incurred a loss of expected future revenues;
 2. the latter, undertaken for “reasons of credit risk” (forbearance measures), are attributable to the bank’s attempt to maximise the recovery of the cash flows from the original loan. Substantially all the underlying risks and rewards are typically not transferred as a result of such modifications. Accordingly, the accounting treatment that provides the most relevant information for the readers of the financial statements (without prejudice to the remarks presented below regarding objective elements) is that based on “modification accounting”, which entails the recognition in profit or loss of the difference between the carrying amount and the present value of the modified cash flows, discounted at the original interest rate, and not through derecognition;
- › the presence of specific objective elements (“triggers”) that affect the contractual characteristics and/or cash flows of the financial instrument (including, but not limited to, a change of currency or modification of the type of risk exposure, where correlated with equity and commodity parameters) and that are believed to entail derecognition by virtue of their impact (expected to be significant) on the original contractual cash flows.

Derecognition

Financial assets are derecognised from the financial statements only if the transfer results in the transfer of substantially all risks and rewards connected to such assets. Conversely, if a significant share of the risks and rewards relating to the transferred financial assets is retained, these assets will continue to be carried in the financial statements, even though the ownership of said assets has been effectively transferred in legal terms.

In cases where the transfer of substantially all risks and rewards cannot be assessed, derecognition occurs when no control has been retained over such assets. Conversely, if even partial control is retained, the assets continue to be recognised in the financial statements to the extent of residual control, which is measured by the exposure to changes in the value of the transferred assets and related cash flows.

In addition, transferred financial assets are also derecognised from the financial statements if contractual rights to receive the asset’s cash flows are retained, but a contractual obligation to pay, without a significant delay, those (and only those) cash flows to a third party is assumed.

4. Hedging transactions

The Bank adopts IFRS 9 for hedging transactions, with the exception of the macro fair value hedging of the asset and liabilities portfolios, for which it has exercised the option to continue using IAS 39 by applying the carve-out approach adopted by the European Union.

Classification and types of hedges

At the annual or interim reporting date, hedging financial derivatives that show a positive or a negative fair value are classified, respectively, under Item “50. Hedging derivatives” among balance-sheet assets or under Item “40. Hedging derivatives” among balance-sheet liabilities.

The objective of hedging is to eliminate possible losses on a specific item or group of items that could be incurred as a result of a certain risk with gains on another item or group of items in cases where that specific risk actually occurs.

Possible types of hedges include:

- › **fair value hedges**, intended to hedge exposure to changes in the fair value of a financial statement item attributable to a particular risk; it is also possible to apply macro fair value hedges with the objective of reducing fair value fluctuations due to interest rate risk of a monetary amount deriving from a portfolio of financial assets or liabilities (including core deposits). However, net amounts arising from the imbalance of assets and liabilities are generally excluded from macro hedging;
- › **cash-flow hedges**, intended to hedge exposure to changes in future cash flows of financial statement items or of a highly probable forecast transaction attributable to particular risks;
- › **hedges of a net investment in a foreign operation**, intended to hedge the foreign currency exposure of an investment in a foreign undertaking, denominated in a currency other than the functional currency of the consolidated financial statements of the Group of which it is part. In the separate financial statements, they are instead recognised as a fair value hedging relationship of the controlling interest.

In the consolidated financial statements, only instruments that involve a counterparty external to the Group can be designated as hedging instruments.

During 2024 macro fair value hedging was applied to hedge a demand deposit portfolio, in addition to cash flow hedges. To date, no hedges of a net investment in a foreign operation have been arranged.

Recognition

As all derivatives, hedging derivatives are initially recognised at fair value at the transaction date.

Derivatives qualify as hedging instruments if the hedging relationship is formally designated and documented at the inception date, specifying:

- › the nature of the economic relationship between the hedged item and the hedging derivative;
- › risk management objectives;
- › the hedging strategy; and
- › the methods used to assess effectiveness both at inception and, prospectively, over the term of the hedge.

The assessment of the hedge effectiveness depends on the degree to which changes in the fair value or expected cash flows of the hedged item are offset by changes in the fair value or expected cash flows of the hedging instrument. Effectiveness is thus assessed by comparing these changes in light of the intentions expressed by the enterprise at the hedge's inception.

The assessment must be performed, at least, at each annual or interim reporting date or, where earlier, when a material change in the circumstances that influence the hedge effectiveness requirements occurs.

The assessment is based on expectations regarding hedge effectiveness. It is thus merely indicative of expected developments and is based on an exclusively forward-looking analysis. The method adopted may consist of a qualitative or quantitative assessment.

Measurement

Hedging derivatives are measured at fair value. Specifically:

- › **micro fair value hedges:** changes in the fair value of the hedged item, which are attributable to the hedged risk and are recognised as a balancing entry to the carrying amount of the hedged item, are offset against the change in the fair value of the hedging instrument. The offsetting is accounted for by recognising both the change in value of the hedged item and the change in value of the hedging instrument through profit or loss under Item 90. "Net income (loss) from hedging". Any difference between the two represents an element of partial ineffectiveness of the hedge and determines the net effect on net profit or loss;
- › **macro fair value hedges:** the positive or negative balance of changes in the fair value of assets or liabilities subject to macro fair value hedging, measured with reference to the hedged risk, is recognised, respectively, among assets under Item "60. Adjustment to macro-hedged financial assets (+/-)" or among liabilities under Item "50. Adjustment to macro-hedged financial liabilities (+/-)". The hedge ineffectiveness is calculated as the difference between the change in the fair value of the hedged monetary amount and the change in the fair value of the hedging instruments, both recognised under Item "90. Net income (loss) from hedging" in the profit and loss account;
- › **cash-flow hedges:** the effective portion of change in the fair value of the hedging instrument is recognised in net equity under Item "120. Valuation reserves" (Item "110. Valuation reserves" of the Separate Financial Statements), whereas the ineffective component is recognised through profit or loss under Item "90. Net income (loss) from hedging". The total amount of gains and losses recognised in net equity is subsequently reversed to the profit and loss account when there is a change in the cash flows of the hedged item or if the hedge becomes ineffective.

Derecognition

Fair value hedge accounting is no longer applied prospectively in the following cases:

- › the hedging instrument expires or is sold, terminated or exercised;
- › the hedge no longer meets prospectively the criteria for hedge accounting.

If these assessments do not confirm the hedge effectiveness, the hedge accounting procedures are discontinued and the derivative instrument is reclassified as a trading instrument.

In fair value hedges, the hedged financial instrument is once again applied the measurement criterion corresponding to its balance-sheet classification. If the hedged asset or liability is measured at amortised cost, the higher or lower value resulting from its fair value measurement is recognised through profit or loss using the effective interest rate method.

Upon discontinuation of a macro fair value hedge, the cumulative revaluations/write-downs recognised under "Adjustment to macro-hedged financial assets" or under "Adjustment to macro-hedged financial liabilities" are taken to the profit and loss account under interest income or interest expense over the residual term of the initial hedging relationships, subject to verification that the conditions are met.

Cash-flow hedge accounting is no longer applied prospectively in the following cases:

- › the hedging instrument expires or is sold, terminated or exercised;

- › the hedge no longer meets the criteria for hedge accounting;
- › the forecast transaction is no longer expected to occur, in which case any related cumulative gain or loss on the hedging instrument recognised directly in net equity shall be taken to profit or loss.

For hedges of a forecast transaction, the cumulative gain or loss on the hedging instrument recognised directly in net equity from the financial year in which the hedge was effective shall remain separately recognised in net equity until the forecast transaction occurs or is no longer expected to occur. In the latter case, any amount recognised directly in net equity is immediately reversed to the profit and loss account.

5. Equity investments

This item includes equity investments in subsidiaries, associates and joint ventures.

Entities subject to significant influence (associates) are those entities in which the Bank holds at least 20% or more of the voting rights (including “potential” rights), or in which — although holding a lower voting power, in light of specific legal ties, such as Shareholders’ agreements — it has the power to participate in the financial and management policy-making process or can exercise governance rights that are not limited to capital interests.

Companies subject to joint control (joint ventures) are entities over which control is shared, on a contractual basis, by the Bank and another entity or other entities external to the Group, or for which decisions regarding important activities require the unanimous consent of all parties that share control.

Recognition

Equity investments are recognised at the transaction settlement date, i.e., the date the acquisition becomes effective. Equity investments are initially recognised at purchase cost.

Measurement

Equity investments are measured at cost, adjusted for impairment where applicable.

When there is indication of a possible loss in value of an equity investment, the recoverable amount of the investment is estimated based on the present value of future cash flows that the company could generate, including the disposal value of the equity investment.

If the recoverable amount is less than the carrying amount, the difference is recognised through profit or loss.

If the reasons for impairment cease to exist due to an event occurring after the impairment was recognised, the impairment loss is reversed and the reversal is recognised in profit or loss.

Derecognition

Equity investments are derecognised when the contractual rights to receive the cash flows from the financial asset expire or when the financial asset, together with substantially all related risks and rewards, is transferred.

6. Property and equipment

Classification

Property and equipment include technical systems, furniture, furnishings and equipment of any type.

They also include assets held exclusively for operating purposes, to be used in the production or provision of goods and services or to be leased to third parties or for administrative purposes and that are expected to be used for more than one year.

Property and equipment also include rights of use (“ROUs”) acquired in lease transactions within the scope of application of IFRS 16 and relating to the use, as lessee, of assets in this category (real estate, motor vehicles, equipment, etc.). For a more detailed analysis of the accounting criteria adopted by the Bank in respect of IFRS 16, reference should be made to Section 15 “Other information”.

Recognition

Property and equipment are initially recognised at cost, which includes the purchase price, as well as all directly related ancillary costs necessary to purchase the asset and bring it into working condition.

Extraordinary maintenance costs that increase the future economic benefits of the asset are added to the carrying amount of the asset to which they relate, while routine maintenance costs are recognised through profit or loss.

Measurement

Property and equipment, including those not used in production, are measured at cost less depreciation and impairment losses. They are systematically depreciated over their estimated useful life using the straight-line method.

At each annual or interim reporting date, if there is indication that an asset may be impaired, its carrying amount is compared to its recoverable amount, which is the higher of an asset's fair value less costs to sell and its value in use, i.e., the present value of future cash flows expected to be generated by the asset. Impairment losses are recognised in the profit and loss account. If the reasons for impairment cease to exist, the impairment loss is reversed; the new amount cannot exceed the carrying amount the asset would have had after depreciation, had no previous impairment loss been recognised.

Derecognition

Property and equipment are removed from the balance sheet upon disposal or when permanently withdrawn from use and no future economic benefits are expected from their disposal.

7. Intangible assets

Classification

An intangible asset is an identifiable non-monetary asset controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity.

In order to be identifiable, an asset must be separable, i.e., capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, or must arise from contractual or other legal rights, regardless of whether those rights are transferrable or separable from the entity or from other rights and obligations.

An entity controls an asset if the entity has the power to obtain the future economic benefits flowing from the underlying resource and simultaneously restrict the access of others to those benefits.

The capacity of an entity to control the future economic benefits from an intangible asset would normally stem from legal rights that are enforceable in a court of law.

The application of IFRS 3 in accounting for acquisition transactions may entail the recognition, in the purchase price allocation (PPA) process of new intangible assets and goodwill.

Goodwill represents the positive difference between the purchase cost and the fair value of the acquiree's assets and liabilities.

Intangible assets with an indefinite useful life also include the value of the trademarks recognised following the acquisition of Nextam Partners Group.

Other intangible assets also included the value of the contractual relationships with customers identified within the framework of the acquisitions of Banca del Gottardo Italia (2008), the Credit Suisse Italy business unit (2014) and Nextam Partners Group (2019).

Customer relationships are intangible assets within the scope of application of IAS 38, from which it is probable that future economic benefits will flow to the acquirer. The value of such relationships has been determined, as at the acquisition date, on the basis of an estimate of the profitability of assets under management (AUM) associated with the customers acquired, measured separately for each asset class.

The useful lives of such assets, determined on the basis of the expected decay rates for assets under management (AUM), have been estimated as follows:

- › Banca del Gottardo Italia: 10 years;
- › Credit Suisse Italy: 15 years;
- › Nextam Partners Group: 16 years.

The remaining intangible assets are application software intended for long-term use, including the expenses of modifying the legacy system and the intangible assets in progress at the end of the year.

Software costs recorded as intangible assets refer to application software developed by third parties for company use (software development contracts) or purchased with a multi-year licence for use.

Software costs recognised among intangible assets include, at certain conditions, also charges for the development of the IT system used by the Bank based on the outsourcing contract with CSE (legacy, front-end Financial Advisors and front-end customers, etc.).

Such charges are capitalised when they refer to the development of innovative components of the system that are not part of consortium projects, for which it is possible to identify a control situation, and from which future economic rewards are expected. Expenses related to corrective maintenance and evolution of IT procedures and the website already in use are usually recognised through profit and loss in the year in which they are borne.

Recognition

Goodwill

An intangible asset can be classified as goodwill when the positive difference between the fair value of the assets and liabilities acquired and the cost of the investment (including ancillary expenses) is representative of the investee company's ability to generate future income (goodwill).

In case of badwill, or if the goodwill is not representative of the investee company's ability to generate future income, the difference is recognised directly through profit and loss.

Other intangible assets

Other intangible assets are recorded at cost less any ancillary expenses when it is probable that the asset will produce future economic benefits and if the cost of the asset can be reliably determined. When this is not the case, the cost of the intangible asset is recognised in the profit and loss account in the period in which it is incurred.

Measurement

Intangible assets are amortised on a straight-line basis over their useful lives.

Software costs are typically amortised over a three-year period.

Other capitalised costs associated with legacy systems are amortised over a three-year period.

With reference to contractual relations with customers, acquired as a result of the above-mentioned business combinations, the useful lives have been estimated at 10 years for Banca del Gottardo Italia, at 15 years for Credit Suisse Italy and at 16 years for Nextam Partners Group.

Intangible assets with indefinite useful lives are not amortised, but are periodically reviewed to assess the appropriateness of their carrying amount.

Impairment

Goodwill

In accordance with IAS 36, goodwill is no longer amortised, but is tested for impairment at least annually.

For the purposes of impairment testing, goodwill is allocated to cash-generating units (CGUs), which, in accordance with the limitation on the maximum level of aggregation, may be no larger than the segments identified for management reporting.

To determine the amount of impairment, the carrying amount of the CGU is compared with its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

The impairment test for goodwill is presented in Section "Retrospective Adjustments" in Part G of these Notes and Comments.

Other intangible assets

At each reporting date, if impairment is indicated, the recoverable amount of the asset is estimated. The amount of impairment, which is recognised in the Profit and Loss Account, is the amount by which the asset's carrying amount exceeds its recoverable amount.

Derecognition

Intangible assets are removed from the Balance Sheet on disposal or when no future economic benefits are expected from their use.

8. Non-current assets held for sale or disposal groups

The asset item "Non-current assets held for sale or disposal groups" and liability item "Liabilities associated with assets held for sale or disposal groups" include non-current assets, such as equity investments in associates, or groups of assets/liabilities for which a disposal process has been initiated and the sale of which is deemed highly likely. Such assets/liabilities are measured at the lesser of their carrying value and fair value less costs to sell.

If assets held for sale or disposal groups qualify as discontinued operations and associated liabilities, the net balance of income and expenses (net of tax effect), attributable to them or recognised as such in the year, is recognised in the profit and loss account under the separate item of "Income (Loss) of disposal groups, net of taxes".

9. Current and deferred taxes

Income taxes are recognised in the profit and loss account, with the exception of those relating to items posted directly to net equity.

Provisions for income taxes are made based on a prudential estimate of current taxes, and deferred tax assets and liabilities, which are calculated using prevailing tax rates.

Specifically, deferred tax assets and liabilities are calculated based on the temporary differences — without time limits — between the carrying amount of assets and liabilities and their corresponding values for tax purposes.

Deferred tax assets are recognised to the extent that it is probable that they will be recovered, which is determined based on the ability of the company in question or the parent company Assicurazioni Generali — as a result of its exercise of the option provided by the Italian tax consolidation scheme — to generate ongoing taxable income.

Deferred tax liabilities are recognised in the financial statements, except for the main assets pending taxation, represented by equity investments.

Deferred tax assets and liabilities are shown separately in the balance sheet and are not offset; deferred tax assets are recorded under “Tax assets” and deferred tax liabilities are recorded under “Tax liabilities”.

Deferred taxes resulting from consolidation are recognised where it is probable that they will give rise to a tax charge for one of the consolidated enterprises. Such taxes mainly arise when positive differences resulting from consolidation are allocated to the assets of the subsidiary in question.

Deferred tax assets and liabilities are systematically assessed to take account of any changes in tax legislation or rates, as well as changes to the specific situations.

Provisions for taxes also include allocations made to cover charges that could arise from tax assessments already notified or litigation underway with Tax Authorities.

Accounting effects of the redemption of goodwill and other intangible assets pursuant to Italy's tax laws

In recent years, the tax regime applicable to corporate reorganisation transactions has undergone considerable changes aimed at allowing the recognition of surplus amounts (e.g., goodwill) following an extraordinary transaction involving contribution, merger or de-merger to be recognised for income-tax purposes, as well as through the payment of a substitute tax.

Italian Law No. 244 of 24 December 2007 (2008 Finance Law) introduced paragraph 2-ter into Article 176 of the Consolidated Income Tax Law (hereinafter TUIR) that allows entities to recognise for income-tax purposes the greater amounts recognised in the accounts following a corporate reorganisation transaction in relation to intangible assets, including goodwill, and property and equipment (so-called “ordinary redemption”).

That provision requires that the entity pay a substitute tax, determined according to three income brackets, on the basis of the realigned amounts (12% up to 5 million euros, 14% up to 10 million euros and 16% for amounts in excess of the latter bracket, respectively) in lieu of the ordinary rates of IRES and IRAP.

The substitute tax is to be paid in three annual instalments beginning on the term of payment of the balance of income taxes for the year in which the extraordinary transaction is undertaken, whereas the greater amounts are recognised for the purposes of the tax-deductibility of depreciation and amortisation charges beginning in the tax period in progress when the option for payment of substitute tax is exercised on the tax return, that is to say in the year in which the first instalment is paid.

Italian Law Decree No. 185 of 29 November 2008 (Anti-Crisis Decree), converted to Law No. 2 of 28 January 2009 and then further amended, subsequently introduced a new system of optional realignment of tax and carrying values (so-called “special regime”). The provision, set forth in Article 15, paragraph 10, of the cited Decree, states that, in derogation of the substitute-tax regime introduced by the 2008 Finance Law, taxpayers may obtain recognition for tax purposes of the greater amounts attributed to goodwill, trademarks and other intangible assets with finite useful lives in the financial statements by paying a substitute tax in lieu of IRES and IRAP at the fixed rate of 16%, that is to say without any reference to income brackets and the possibility of paying in instalments.

However, the greater amounts attributed to goodwill and trademarks could have been recovered through the off-balance procedure for amortising goodwill in ten annual instalments instead of the 18 ordinary instalments required under Article 103 of TUIR, beginning in the tax period after that in which the tax is paid.

Article 17 of Italian Law Decree No. 83/2015 then precluded the possibility of converting into tax credits the DTAs referring to the value of goodwill and other intangible assets, recognised for the first time in the financial statements for the year ended 27 June 2015, reducing the off-balance amortisation period from ten to five years.

For the special redemption option as well, that statute also requires that the option be exercised by paying the substitute tax by the term of payment for income taxes for the year in which the extraordinary transactions in question are finalised.

In addition, paragraphs 12 to 14 of Article 23 of Italian Law Decree No. 98/2011 (known as the “Summer Manoeuvre”) introduced the new paragraphs 10-bis and 10-ter to Article 10 of Law Decree No. 185/2008, thus allowing an extension of the “special redemption” procedure to goodwill recognised at the consolidated level only, due to not being presented in the carrying amount of the equity investment.

As originally formulated, the statute provided that, for the purposes of redemption of transactions carried out before 31 December 2010, the 16% substitute tax was to be paid by 30 November 2011, whereas the off-balance deduction of goodwill, in ten equal instalments, was to occur starting in financial year 2013 — a date that was then postponed by Article 1, paragraph 502, of Italian Law No. 228 of 24 December 2012 (2013 Finance Law) to the year after that in progress as at 31 December 2017²⁹.

Banca Generali has undertaken the following transactions in connection with the aforementioned options afforded by the tax code:

- 1) redemption of the mismatch between the carrying amounts and book values of goodwill arising from the merger of Banca del Gottardo Italia into Banca BSI S.p.A. (subsequently merged into Banca Generali effective 1 January 2010), closed in 2010 on the basis of the provisions of Article 15, paragraph 10, of Law Decree No. 185/2008;
- 2) redemption of other intangible assets (customer relationships) arising from the above transaction undertaken in 2010 on the basis of the amounts carried in the financial statements of Banca BSI Italia at 31 December 2009 according to the ordinary procedure outlined in Article 176, paragraph 2-ter, of TUIR;
- 3) redemption of goodwill recognised on a consolidated basis in connection with the full equity investment in the subsidiary BG Fiduciaria SIM S.p.A. undertaken in 2011³⁰.

Most recently, Article 110 of Italian Law Decree no. 104 of 14 August 2020 (the “August Decree”), as amended by the 2021 Budget Law (Article 1, paragraph 83, of Law no. 178 of 30 December 2020), with the aim of facilitating stronger capital positions and mitigating the consequences on financial statements of the economic crisis caused by the Covid-19 pandemic, introduced — including for entities that adopt IAS/IFRS — the possibility of realigning the accounting and tax values of goodwill and other intangible assets recognised in the financial statements for the year in progress at 31 December 2019 (Article 110, paragraph 8-bis), to the extent in which they were still present at the closing of the 2020 financial statements.

The option was to be exercised through:

- › the payment of a 3% substitute tax, in a maximum of three instalments of equal amounts, by the due date for payment of the balance of the 2020 income tax return and the reporting in the income tax return of incomes relating to financial year 2020;
- › the application of a restriction on balance-sheet reserves in an amount corresponding to the greater values subject to realignment, net of the substitute tax, to which the provisions for tax-suspended reserves envisaged for revaluation balances applies.

The effects of the realignment of goodwill and other intangible assets are recognised for tax purposes with effect from financial year 2021 and the off-balance amortisation of goodwill should have been therefore deducted in 18 years (paragraph 3-bis).

However, Article 1, paragraphs 622 to 624, of the 2022 Budget Law retroactively amended, in derogation from the taxpayers’ statute, the emergency redemption provisions set out in Article 110 of Law Decree No. 104 of 14 August 2020 (“August Decree”), essentially providing for three options:

- a) extension of the amortisation period from 18 to 50 years;
- b) “repeat redemption” of goodwill redeemed at 3% by applying an increase on the basis of the rate brackets governed by the ordinary provisions of Article 176 of TUIR;
- c) revocation of the redemption transaction, according to the methods to be established by order of the Italian Tax Authorities, applying for a refund for or offsetting the sums already paid.

In 2021, Banca Generali also proceeded to exercise the option to carry out the following realignments of the carrying and tax values of goodwill, trademarks and other intangible assets:

- › realignment of misalignments resulting from previous years’ goodwill stated in the Financial Statements at 31 December 2019, pursuant to Article 110 of Law Decree No. 104/2020 (so-called “August Decree”), as amended by the 2021 Budget Law, through payment of a 3% substitute tax, and subsequent right to benefit from the ensuing off-balance sheet amortisation in the ordinary period of 50 years;
- › realignment of the carrying values for goodwill, trademarks and intangible assets, resulting from the merger — effective 1 January 2020 for accounting and tax purposes — of the subsidiaries Nextam Partners S.p.A. and Nextam Partners SGR, carried out pursuant to:
 - Article 15 of Law Decree No. 185/2008 (special redemption), by payment of a substitute tax of 16% and subsequent amortisation over 5 years;

²⁹ The following additional legislation was recently passed on this subject:

Article 1, paragraph 1079, of Italian Law No. 145/2018 (2019 Budget Law) introduced a change to the amortisation rates of goodwill and other intangible assets that gave rise to the recognition of deferred tax assets subject to the paragraphs 55, 56-bis, 56-bis.1 and 56-ter of Article 2 of Italian Law Decree No. 225 of 29 December 2010 not yet deducted until the tax period in progress at 31 December 2017 in ten variable annual instalments from 31 December 2019 — from 2019 (5%) to 2020 (3%) — and until 31 December 2029 (10%), without prejudice to previously applicable amortisation, where of a lesser amount;

Article 23 of Italian Law Decree No. 98/2011 (paragraphs 12-14) had introduced the possibility of proceeding with “special” redemption (new paragraph 10-ter of Article 15 of Italian Decree Law No. 185/2008) of goodwill and other intangible assets recognised solely at the consolidated level before 31 December 2010, by paying a substitute tax of 16% and deducting the related amortisation in ten annual instalments starting on 1 January 2013. However, **Article 1, paragraph 502, of Italian Law No. 228 of 24 December 2012** (2013 Financial Law) then deferred the deductibility of amortisation charges from the tax period after that in progress at 31 December 2017, with a suspension of amortisation of five years, followed by a further change in 2018 (see previous note);

Article 1, paragraph 714, of Italian Law No. 160/2019 (2020 Stability Law) then provided for the deferral of the deduction of the 5% share of the portion of negative components referring to amortisation charges relating to the value of goodwill and other intangible assets, originally provided for 2019, to the tax period in progress at 31 December 2025 and the four following periods.

³⁰ The goodwill of BG Fiduciaria was redeemed on 30 November 2011, but became effectively deductible only in financial year 2020, at the rate of 3% instead of the original 10%.

- Article 176, paragraph 2-ter, of TUIR (ordinary redemption), limited to intangible assets, with payment of a substitute tax based on related tax brackets (12%-14%) and recognition of amortisation throughout the residual life of the intangible asset.

The accounting treatment of the payment of substitute tax on goodwill is susceptible to varying interpretations, given that there is no specific provision of IAS 12 regarding the taxable element of goodwill after initial recognition.

IAS 12 merely prohibits the recognition of deferred tax assets on initial recognition of goodwill from acquisitions not relevant for tax purposes.

The analyses conducted by the OIC (Italian Accounting Standard Setter) — summarised in application document No. 1 of 27 February 2009 entitled *“Accounting treatment of substitute tax on the redemption of goodwill in accordance with Article 15, paragraph 10, of Law Decree No. 185 of 29 November 2008 (converted into Law No. 2 of 28 January 2009) for entities that prepare financial statements in accordance with IAS/IFRS”*, which can however be extended to other special redemption cases envisaged by tax laws — have led to three different accounting treatments being considered compatible with IFRS:

1. recognition through profit and loss of substitute tax only, without recognising deferred tax assets;
2. immediate recognition through profit and loss of both substitute tax and the deferred tax assets representing the future tax benefit; and
3. recognition of substitute tax as a tax credit under assets and subsequent recognition through profit and loss over the years to coincide with the off-balance deduction of the redeemed amortised amounts.

In this regard, it should be noted that the accounting policy adopted by Banca Generali is based on the second method, which allows the attribution of the entire tax benefit, equal to the difference between the substitute tax paid and the deferred tax assets recognised (IRES and IRAP) during the year to which the redemption transaction refers.

During the years in which the redeemed goodwill is deducted on a straight-line basis, the entity releases the previously recognised deferred tax assets to profit and loss on a straight-line basis, in accordance with the specific system adopted (ten or eighteen amortisation instalments), thereby neutralising the decrease in current taxes.

Any impairment losses to the goodwill are not relevant to measuring the recognised deferred tax asset, provided that the value of that asset continues to be believed to be recoverable on the basis of future taxable income.

With regard to the realignment performed pursuant to Article 110 of Italian Law Decree No. 104/2020, DTAs that may be recovered over a longer time horizon than the ordinary off-balance amortisation of 18 years have not been recognised in the financial statements.

10. Provisions for liabilities and contingencies

Provisions for commitments and guarantees issued

The sub-item of provisions for liabilities and contingencies in question includes provisions for credit risk recognised on the basis of loan commitments and guarantees issued that come within the scope of application of impairment rules pursuant to IFRS 9. Such cases are generally subject to the same methods of allocation to the three credit risk stages and calculation of expected losses presented in regard to financial assets measured at amortised cost or at fair value through other comprehensive income.

Other provisions

Other provisions for liabilities and contingencies include allocations relating to provisions for legal contractual or non-contractual obligations or legal disputes, including tax disputes, arising from a past event where fulfilment of such obligation is likely to require an outflow of financial resources, provided that the amount of the outflow can be reliably estimated.

Therefore, a provision is recognised only when:

- › there is a present obligation (legal or constructive) as a result of a past event;
- › it is likely that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- › a reliable estimate can be made of the amount relating to the fulfilment of the obligation.

The amount recognised as provision corresponds to the best estimate of the expenditure required to settle the obligation existing at the reporting date and accounts for all the risks and uncertainties that are inevitably entailed in certain events and circumstances.

Where the effect of the time value of money is material, provisions are discounted using current market rates. Provisions and increases due to the time value of money are recognised in the profit and loss account.

Provisions are periodically reviewed and, where necessary, adjusted to reflect the best current estimate. If, upon review, it is determined that it is unlikely that a cost will be incurred, the provision is reversed.

Other provisions for liabilities and contingencies include, in particular:

- › provisions for contractual indemnities for the Financial Advisor Network (termination indemnity, portfolio overfee indemnity, management development indemnity, and other similar indemnities), measured according to the actuarial of financial method;
- › provisions for Financial Advisors and Relationship Managers serving the obligations assumed in relation to the *2017-2026 Framework Loyalty Programme for the sales network*;
- › several types of provisions for incentive or recruitment bonuses (recruitment plans) for Financial Advisors;
- › provisions for long-term employee benefits;
- › provisions for restructuring plans.

In some circumstances, provisions for liabilities and contingencies (e.g., charges relating to staff expenses) have been presented in a separate item of the profit and loss account to best reflect their nature.

Termination indemnity for Financial Advisors

The provision covering the cost of termination indemnities for Financial Advisors is assessed in compliance with IAS 37 according to an actuarial approach, pursuant to the law (Article 1751 of the Italian Civil Code) and the specific disbursement criteria set by the Bank.

In detail, the indemnity to be paid to a Financial Advisor is calculated on the basis of the annual average direct and indirect fees paid to the Financial Advisor during his or her final five years of service (Article 1751 of the Italian Civil Code), net of:

- a) the total amount paid to Enasarco's retirement bonus fund (FIRR) each year by the Bank until the date of termination;
- b) the contractual lump-sum reduction which gradually declines with the length of service at the date of retirement or termination (with the exception of cases of death and permanent disability).

In cases of withdrawal for cause with service, the indemnity may be further reduced as a function of the decline in AUM during the post-termination observation period.

The assessment is then conducted according to actuarial methods on the basis of demographic parameters, expected turnover rates, with and without the right to service, assumptions regarding the age of entry into the compulsory general insurance (AGO) system and the retirement age.

The procedure also takes account of:

- a) the percent fee reduction expected as a function of the estimated period of past service at the date of termination;
- b) the prospective termination indemnity fund (FIRR), i.e., the payments that the Bank is to make each year directly to the Enasarco Foundation by way of termination indemnity contributions for the Financial Advisor's entire period of service and that, in the end, are to be deducted from the gross indemnity owed.

Portfolio overfee indemnity

The portfolio overfee scheme calls for Financial Advisors with at least five years of service who leave service permanently due to retirement, serious disability, death or voluntary removal from the Register to be entitled to an indemnity commensurate to the profitability of the portfolio previously managed.

The indemnity, which is governed by an appendix to the agency agreement, is only due on the condition that the outgoing Financial Advisor formally undertakes to conduct a hand-over to an incoming Financial Advisor identified by the Company and discharges the obligation for removal from the Register. Conversely, the incoming Financial Advisor undertakes to pay the Company an indemnity commensurate to that obtained from the outgoing Financial Advisor.

In relation to recent market practices in the area, a thorough contractual revision of the scheme entered into effect on 1 January 2012 was carried out.

The system introduces a rule, namely that the indemnity collected by the outgoing Financial Advisor is to correspond exactly to the indemnity paid by the recipients of the hand-over; thus limiting the principal's role to the service represented by handling the cash flows between the parties.

Therefore, on the basis of the new rules, the outgoing Financial Advisor may only collect the agreed indemnity provided that it has actually been paid to the Bank by the incoming Financial Advisor, thereby fostering greater involvement of the interested parties in the successful completion of the transaction and an appropriate hand-over of customer relationships.

However, the Bank's guarantee is maintained in cases of the reassignment of customer relationships due to the death or permanent disability of the Financial Advisor to whom they had been assigned. In such cases, the Bank will immediately pay out the entire indemnity to the outgoing Financial Advisor's beneficiary or heirs and then recover the amount from the incoming Financial Advisors under an instalment plan, in the reduced amount of 75% in consideration of the increased expense associated with the impossibility of conducting an appropriate hand-over.

The specific provision covering the obligations associated with the scheme is determined through an assessment conducted according to statistical and actuarial methods on the basis of an estimate, carried out through IT procedures, of the development coefficient for the assets managed by the Financial Advisors at the reference date, the historical percentages of indemnity payouts, network turnover rates and other demographic, social security and financial variables.

According to IAS 1, paragraph 234 b), provisions are presented net of contractually established reimbursements to be provided by incoming Financial Advisors.

Framework Loyalty Programme for the Sales Network

The aggregate referring to provisions for long-term contractual indemnities also includes the provision covering the 2017-2026 Framework Loyalty Programme for the Sales Network ("Framework Programme"), approved by the Board of Directors on 21 March 2017 and ratified by the General Shareholders' Meeting on 20 April 2017. Said Programme is aimed at improving the retention of the Network and the customers acquired over time and creating value for the Group by attracting stable, high-quality net inflows.

The Framework Programme originally provided for the possibility to activate during the 2017-2026 period eight individual annual plans set to expire on 31 December 2026 and of decreasing lengths, from a maximum of eight years to a minimum of one year, with the authorisation of Banca Generali Group's corporate bodies and in accordance with its remuneration policies. However, it should be noted that Banca Generali decided to suspend the implementation of the above Loyalty Framework Programme, for which the sixth 2022-2026 cycle was therefore not activated.

The Framework Programme called for an indemnity to be paid to Financial Advisors and Relationship Managers with a minimum level of seniority of service who met certain AUM and net inflow parameters at the end of the year of activation of the plan in which they participated. The indemnities thus accrued in respect of the individual plans will be disbursed cumulatively to the beneficiaries, in accordance with the Banking Group's current remuneration policies, in the first half of 2027, within 60 days of the approval of the 2026 Financial Statements.

However, departure from the Banking Group's scope entails the loss of entitlement to disbursement of the bonuses accrued, except in the event of death, permanent disability or eligibility to receive a pension. Even in the above circumstances, the indemnity will still be paid at the end of the Programme.

A part of the bonus, up to 50% of its value, for each of the individual plans in the Framework Programme may be paid in Banca Generali shares. In accordance with the Banking Group's Remuneration Policy, the number of shares is determined according to the average price of Banca Generali shares during the 90 days prior to the date of the meeting of the Board of Directors called to approve the draft Financial Statements for the year prior to that of activation of the individual plan. The Banca Generali shares for each individual plan are thus purchased on the market after authorisation is granted, from one year to the next, by the corporate bodies (Board of Directors and General Shareholders' Meeting) and the Regulator, and are cumulatively assigned to beneficiaries.

The amount of the provision for the portion of the indemnity to be paid in cash is measured on the basis of the indemnity accrued as at the reporting date, taking account of the time value of money for the period until the date of disbursement and the forecast rate of turnover, without entitlement to benefits, for the beneficiary population. The portion to be paid in shares is subject to the accounting treatment provided for in IFRS 2 and accrues annually in proportion to the length of the vesting period for the various annual plans activated.

In addition, following the suspension of the Programme, in July 2022 an advance on the bonuses to be paid in cash as provisioned for and revalued as at 30 June 2022 was paid to the beneficiaries of the annual plans already activated, for a total amount of 34.2 million euros. This advance is tied to the right to receive the bonus and will therefore definitively accrue in the first half of 2027 following verification of the vesting conditions established by the Programme.

Three-year Incentive Plan

The 2022-2024 three-year incentive plan, approved by the Board of Directors on 18 March 2022, is in addition to the annual incentives for the Financial Advisor Network and is tied to the achievement of both several overall objectives set at the Banking Group level in terms of total net inflows and recurring fee income, established in the Strategic Plan, and individual objectives.

In particular, at the end of the Plan no incentives may be disbursed without full achievement of the three-year net inflow targets and of at least 90% of the cumulative recurring fee target at the end of 2024.

At the level of the individual beneficiary, accrual of the bonus is tied to individual net inflow and advanced net inflow targets on a three-year basis to be reached collectively, with a floor below which the incentive is not awarded.

Special rules also apply to Financial Advisors eligible to participate in the previous Loyalty Framework Programme, for which a bonus floor applies, to be paid at the end of the three-year period if other conditions are met, but only in the absence of net outflows.

All Financial Advisors, Relationship Managers and Network Managers in service at 31 December 2019 are entitled to the three-year incentives.

The three-year bonus will be paid in 2026, provided that on 31 December 2025 the net inflow targets reached are no less than 90% of net inflows reached at the end of the three-year plan period.

The incentives accruing on a multi-year basis, tied to net inflow targets, qualify as costs of obtaining a contract pursuant to IFRS 15 and are expensed over a five-year period, like other similar incentives granted to the Financial Advisor Network.

The accrual of the bonus at the end of the three-year period is contingent on achieving the Banking Group access gates, as defined by the Remuneration Policy.

In addition, the Plan calls for the payment of the cash bonus only, with the sole exception of beneficiaries qualifying as Key Personnel in the three-year period, to whom the specific provisions of the Remuneration Policies (deferral, shared-based payment, etc.) apply.

11. Financial liabilities measured at amortised cost

Classification

Due to banks, Due to customers and Debt securities outstanding issued include the various forms of interbank funding and direct customer inflows, as well as funding through certificates of deposit and the issue of bond securities, net of any amounts repurchased.

Due to banks and Due to customers also include operating debts from financial services.

Recognition

These items are initially recognised when funding is received or the debt securities are issued.

Initial recognition is at the fair value of the liabilities, which is normally the amount received or the issue price plus any costs or income directly attributable to the each funding transaction or issuance and not repaid by the creditor. Internal general and administrative expenses are excluded.

For financial liabilities issued below market value, the fair value is estimated and the difference with respect to the market value is recognised directly in the profit and loss account.

Measurement

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest rate method, with the exception of short-term liabilities where the time value of money is not material.

These are measured at the amount received, and any costs incurred are recognised in the profit and loss account on a straight-line basis for the contractual duration of the liability.

Derecognition

Financial liabilities are written off when they mature or are settled, or when previously issued securities are repurchased. The difference between the carrying amount of the liability and the amount paid for repurchase is recognised in the profit and loss account.

Placing securities again on the market after their repurchase is considered a new issue; such securities are therefore measured at the new placement price without any effect on net profit and loss.

12. Financial liabilities held for trading

This item includes the negative value of trading derivative contracts measured at fair value.

If the fair value of a financial asset falls below zero due to trading, it is recorded as a financial liability held for trading.

13. Financial liabilities designated at fair value

There are currently no financial liabilities measured at fair value.

14. Foreign currency transactions

Initial recognition measurement criteria

On initial recognition, foreign currency transactions are recorded in the functional currency using the exchange rate at the date of the transaction.

Subsequent recognition measurement criteria

At each annual or interim reporting date, monetary items denominated in foreign currency are translated using the exchange rate as follows:

- › monetary items are translated using the exchange rate at the reporting date;
- › non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- › non-monetary items that are measured at fair value are translated using the exchange rate at the reporting date.

Exchange rate differences that result from the settlement of monetary items or the translation of monetary items at a rate that is different from the one used for initial translation or for translating the previous year's Financial Statements are recognised through profit or loss in the period in which they arise.

15. Other information

Cash and deposits

The portion of the balance of the settlement account held with the Bank of Italy that is not restricted according to the mandatory reserve rules is recognised as demand deposits with the Central Bank and has therefore been reclassified to item 10 of the Balance Sheet, Cash and deposits.

Treasury shares

Treasury shares are recognised at their purchase cost under a specific item as a reduction to net equity and are not subject to measurement. Where subsequently sold, any difference between the purchase cost and sale price is recognised among the components of net equity.

Equity instruments

Equity instruments are instruments that represent an equity interest in the Bank pursuant to IAS 32.

The classification of an instrument issued as an equity investment requires the absence of contractual obligations to make payments in the form of repayment of principal, payment of interest or other forms of return.

In particular, instruments that present the following characteristics are classified as equity investments:

- › duration is unlimited or equal to the company's duration;
- › the issuer has full discretion over paying coupons or repaying principal, including prematurely.

This category also includes Additional Tier 1 instruments compliant with the provisions of Regulation (EU) No. 575/2013 (CRR) on the prudential requirements for credit institutions and investment firms that, in addition to presenting the characteristics described above, in any event:

- › allow the issuer to retain full discretion over whether to recognise a reversal of nominal value (write-up) following a capital event that has resulted in a decline in nominal value (write-down);
- › do not incorporate must-pay clauses for the issuer as a result of authentic events within the parties' control.

Equity instruments other than ordinary or savings shares are classified to item "130. Equity instruments" in the amount received, inclusive of the transaction costs that are directly attributable to the transaction concerned.

Any coupons paid and dividend accruals, net of the related taxes, are deducted from item "140. Reserves".

Any differences between the amount paid to discharge or repurchase these instruments and their carrying amount are recognised in item "140. Reserves".

Repurchase agreements

Securities received under a transaction involving a contractual obligation to resell said securities and securities delivered under a transaction involving a contractual obligation to repurchase said securities are not recognised and/or derecognised inasmuch as the associated risks/rewards are not transferred.

Consequently, if securities are purchased under a resale agreement, the amount paid is recognised as a loan to customers or banks. If securities are sold under a repurchase agreement, the liability is recognised as an amount due to banks or customers.

Investment income, in the form of coupons accrued on securities and the difference between the spot and forward price of said securities, is recognised to the profit and loss account items associated with interest on an accrual basis.

Leasehold improvements

Costs associated with refurbishing properties owned by third parties are capitalised due to the fact that, for the duration of the lease, the company using the property has control of the assets and can therefore receive the related future economic benefits. The above costs, which have been classified among “Other assets”, as required by the Bank of Italy’s Instructions, are amortised for a period that may not exceed the term of the lease agreement.

Leases (IFRS 16)

As lessee

At the inception of a contract, the Bank must assess whether it is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset in exchange for consideration for a period of time.

In addition to lease contracts, recognised as such, the definition of “lease contract” also includes rental, loans for use and all other contracts that may contain a lease.

For each contract that is, or contains, a lease, the Bank allocates the agreed consideration to the following, on the basis of the individual prices of each transaction:

- › the lease components (pure lease payment);
- › the components relating to other services to be recognised according to other standards (e.g., condominium fees, non-deductible VAT, late payment interest, duty stamps, insurance expenses, vehicle maintenance costs, etc.).

The Bank settles the lease components separately from the other service components, unless it is not readily feasible to do so.

The Bank recognises a Right of use and the related lease liability for all lease contracts in which it is the lessee, except for:

- › short-term contracts (i.e., lease contracts with a term of 12 months or less); and
- › leases of low-value assets (assets with a value of less than 5,000 euros when new).

The Bank accounts for payments relating to the latter as operating expenses on a straight-line basis over the term of the contract, unless another method is more representative.

Lease liabilities

Lease liabilities are initially recognised at the present value of the lease payments that are not paid at the commencement date of the lease, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, at the lessee’s incremental borrowing rate.

Since most lease contracts entered into by the Bank do not include an implicit interest rate, the discount rate to be applied to future lease payments is generally based on the risk-free rate for the currency in which the contracts are denominated, applicable by maturity, commensurate to the term of the contract concerned, plus a specific credit spread applicable to the lessee.

In particular, the risk-free rate curve (swap curve) is used, with the addition of a spread representative of the Insurance Group’s credit risk, calculated periodically on the basis of the quoted prices of credit default swaps (CDSs) referring to the parent company, Assicurazioni Generali.

The lease payments accounted for in the value of the lease liability include:

- › fixed payments, including lease payments contractually structured as variable but essentially fixed (in-substance fixed payments), less any incentives received from the lessor;
- › variable lease payments that depend on an index or a rate (e.g., inflation), initially measured using the index or rate as at the commencement date of the contract;
- › amounts expected to be payable by the lessee under residual value guarantees, where provided for by contract;
- › the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option;
- › payments of penalties for terminating the lease prematurely, if the lease term reflects the lessee exercising an option to terminate the lease, and exercise of the option is deemed reasonably certain.

After initial recognition of the lease liability at amortised cost, the carrying amount of the liability is increased by the interest on the lease (according to the effective interest method) and decreased to reflect the payments made under the lease contract.

The Bank remeasures the balance of the lease liability (and applies an adjustment to the corresponding value of the Right of use, where significant) if either:

- › there is a change in the lease term or there is a change in the assessment of an option right, in which case the lease liability is remeasured by discounting the lease payments at the revised discount rate;
- › there is a change in lease payments resulting from a change in an index or a rate or there is a change in the amounts expected to be payable under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments at the initial discount rate (unless the change in lease payments results from a change in floating interest rates, in which case a revised discount rate is used);
- › a lease contract has been modified and the modification does not qualify for recognition as a separate contract, in which case the lease liability is remeasured by discounting the revised lease payments at the revised interest rate.

Rights of use

The Bank recognises rights of use and the related lease liabilities at the commencement date of the contract.

Right-of-use assets are initially measured at cost, including:

- › the initial measurement of the lease liability;
- › the lease payments made at or before the commencement date of the contract;
- › initial direct costs incurred to obtain the contract (legal, notarial, real-estate agency, etc.).

A provision for risks is recognised and measured according to IAS 37 when the Bank is obligated to bear the costs of returning an asset in a condition required by the terms of the contract. This cost is included in the value of the Right of use.

The Right of use is then recognised net of depreciation and any impairment losses.

The Right of use is depreciated on a straight-line basis over the period from the commencement date of the contract to the sooner of the end of the lease term and of the residual useful life of the underlying asset.

If the lease contract transfers ownership of the relevant asset or the cost of the Right of use reflects the Bank's intention to exercise the purchase option, the Right of use is depreciated over the useful life of the asset.

The Bank applies IAS 36 – *Impairment of Assets* to identify the presence of any impairment losses.

Variable lease payments that do not depend on an index or a rate are not included in the value of the lease liability or the value of the Right of use. The related payments are recognised on an accrual basis and are included in item "Other operating costs" of the Profit and Loss Account.

As lessor

The Bank does not act as lessor in lease transactions.

Share-based payments

These are payments to employees or other similar persons, such as Financial Advisors, as consideration for services rendered, based on the equity instruments of the banking or ultimate parent company.

Such plans may provide for either:

- › the right to subscribe for rights issues at a pre-determined price (stock-option plans);
- › the free assignment of a certain number of shares, generally repurchased (stock-granting plans).

In accordance with IFRS 2 – *Share-Based Payments*, share-based benefit plans for personnel and Financial Advisors are recognised as costs on the Profit and Loss Account based on the fair value of the shares on the assignment date, spreading out the charges over the period covered in the plan.

In light of the difficulty inherent in reliably measuring the fair value of the services received in return for equity instruments, reference is made to the fair value of such instruments measured at the assignment date.

The fair value of options is measured using a model whose inputs are exercise price, time to maturity, the current share price, expected volatility, expected dividend, the risk-free interest rate, and the specific features of the plan in effect. The pricing model measures distinctly the option and the probability that the conditions on which basis the option was assigned will be realised. The combination of the two amounts generates the fair value of the assigned instrument.

In cases of stock-granting plans, the fair value of the shares granted is determined on the basis of market prices on the date of the resolution of the Shareholders' Meeting authorising the plans.

Any reduction in the number of financial instruments assigned is recognised as a cancellation of part of them.

Charges relating to shared-based payment plans are recognised as a cost for the period in the profit and loss account under item 160.a) “General and administrative expenses: staff expenses”, where they relate to employment services, and under item 50. “Fee expense”, where they relate to contractual relationships with Financial Advisors. In both cases, such charges have their counter-entry in item 140. “Equity reserves”³¹.

Employee termination indemnities

Employee termination indemnities, which are governed by Article 2220 of the Italian Civil Code, constitute “**post-employment benefits**” as defined in IAS 19 – Employee Benefits.

Following the entry into force of Italy’s 2007 Finance Law, which brought forward to 1 January 2007 the supplementary pension reform enacted by Italian Legislative Decree No. 252 of 5 December 2005, the portions of employees’ termination indemnities accrued starting from 1 January 2007 must — depending on the employees’ choice — be allocated to a supplementary pension fund or maintained within the company and — in the case of companies with at least 50 employees — transferred to a special fund managed by Italy’s national security institute (INPS).

Accordingly, obligations to employees have taken on a twofold nature from an accounting standpoint:

- › “a defined contribution plan” for termination indemnities accrued by personnel starting on 1 January 2007 whether the employee chooses to redirect such amount to a supplementary pension fund or allocate it to the INPS treasury fund. For such portions, the amount recognised amongst staff expenses is determined on the basis of the contributions owed, without the application of actuarial calculation methods. The portions paid to supplementary pension funds are recognised in the specific item, whilst the portions paid to the INPS fund are reclassified to the item “employee termination indemnities” by convention;
- › “a defined-benefit plan” for the portion of termination indemnities accrued by personnel through 31 December 2006, which is thus recognised on the basis of the actuarial value of the expected future benefit, determined according to the “**projected unit credit method**”.

According to this method, the amount already accrued is to be increased by the unit amount accrued annually (current service cost) projected into the future through the date of expected termination of employment then discounted at the reference date. The unit amount accrued is also determined on the basis of the employee’s entire expected working life.

In the specific case, however, the past liability is assessed without pro-rating past service because the service cost of the termination indemnity has already fully accrued. Accordingly, the annual accrual consists solely of the interest cost relating to the revaluation of the expected benefit due to the passage of time.

The rate used for discounting is determined by reference to market yields on high quality corporate bonds, taking into account the average time-to-maturity of the liability, and calculated using the percentage paid and advanced for each contractual period compared to the total amount to be paid and paid in advance until the final settlement of the entire obligation.

Considering that IAS 19R requires that the discount rate is to be determined by reference to the yields on “high-quality corporate bonds,” it was decided to use the IBOXX EURO CORP index, formed of AA series.

The plan’s service costs have been recognised amongst staff expenses under item “provisions for termination indemnity.”

Following the entry into force of IAS 19R, from 1 January 2013, with the aim of improving financial statement comparability, it was decided to eliminate the option of adopting different treatments for **actuarial gains and losses** deriving from the assessment of the obligation, i.e., decreases or increases in liabilities deriving from changes in the parameters used for the actuarial assessment (change in the discount rates, estimate of expected staff turnover rates, salary increases, etc.).

In fact, changes in liabilities due to actuarial assessments are now required to be mandatorily recognised in full in the other comprehensive income, and thus with a balancing entry to an equity reserve, net of the associated tax effect.

By contrast, in the previous accounting arrangement adopted by the Bank the above item had been recognised in the profit and loss account according to the corridor method, i.e., the amount of cumulative actuarial gains/losses resulting at the end of the previous year in excess of 10% of the present value of the benefits generated by the plan.

The elimination of this method entailed an impact on the Bank’s net equity from the date of first-time adoption of the new Standard due to the recognition of actuarial gains or losses not previously booked in application of the corridor method.

In addition, actuarial assessments of the provision are conducted net of the 11% substitute tax and 0.50% contribution, which are thus reclassified to the profit and loss account during the year of accrual under a specific item.

³¹ For further information on the accounting treatment and the characteristics of the individual plans, including quantitative information, reference should be made to Part I — Payment Agreements Based on Own Equity Instruments of these Notes and Comments.

Productivity bonuses for salaried employees

Productivity bonuses to be paid to salaried employees during the following year are generally to be allocated to the item “Other liabilities.”

More specifically, in accordance with IAS 19 – Employee Benefits, the following are allocated to current liabilities:

- › the share of variable remuneration to be paid to managers and employees for which there are legal obligations that may be reliably estimated, such as bonuses relating to the supplementary company agreement, managerial bonuses associated with balance scorecards (MBO) and other individual incentive plans of a contractual nature, such as those for sales personnel and managers;
- › incentives not subject to contractual agreement for which there is objective evidence of their customary nature, giving rise to a constructive obligation for the Bank.

For these items, a reliable estimate has been prepared of the expense owed to staff under the formal conditions of the individually assigned incentive plans and the probability that the quantitative and qualitative targets set out therein will be met.

Pursuant to IAS 19, the Company also recognises among staff expenses in the Profit and Loss Account the following types of expenses that do not constitute certain short-term liabilities and thus have the item for provisions for liabilities and contingencies as their balancing entry in the balance sheet:

- › the share of the variable remuneration of managers of the Banking Group deferred up to five years, and conditional upon the satisfaction of the access gates requirements established in the Banking Group’s new remuneration policy.

Expenses functionally related to staff

In accordance with IFRS 19, item 160 a) “Staff expenses” only includes costs representing remuneration for professional services rendered, thus excluding those representing pure reimbursement of the expenses incurred by the employee for the benefit of the enterprise in the performance of professional activity.

Accordingly, indirect expenses functionally related to activity performed by staff are recognised under item 160 b) “Other general and administrative expenses”. Such expenses also include:

- a) documented, specific reimbursements of the costs of room and board incurred by employees during business trips;
- b) documented, specific mileage reimbursements, calculated on the basis of rates recognised as valid (e.g., Automobile Club d’Italia) and the mileage actually travelled;
- c) costs of check-ups conducted when staff are hired and the costs of compulsory examinations of staff required by law.

By contrast, amongst other items, the costs of professional refresher courses for employees continue to be recognised under staff expenses.

Recognition of revenues and costs

Revenues are recognised when they are realised or when it is probable that the related future benefits will be received and such benefits can be reliably measured. More specifically:

- › interest payable is recognised on a pro-rated basis according to contractual interest rate, or the effective interest rate if amortised cost is used;
- › default interest accrued on the basis of contractual terms is recognised in the profit and loss account only when received;
- › dividends are recognised in the profit and loss account when dividend payout is approved;
- › service revenue fees are recognised, on the basis of the existence of contractual agreements, during the period in which the services in question are rendered; in further detail, trading fees on securities trading are recognised when the service is rendered. Portfolio management, advisory and mutual fund management fees are recognised according to the length of the service. Fees considered among amortised cost for the purposes of determining the effective interest rate are excluded and are recognised among interest.

Costs are taken through profit or loss during the periods in which the associated revenues are recognised. If the above matching can only be done generally or indirectly, then the costs are allocated to more than one accounting period according to rational procedures and on a systematic basis. Those costs that cannot be matched with the related revenues are immediately taken through profit and loss.

Recognition of the costs of obtaining and fulfilling a contract

Beginning from the end of 2018, the amortisation period for acquisition and fulfilment costs for contracts with customers was modified from a time horizon based on the payback criterion to a time horizon more consistent with the average duration of contractual relationships with customers, determined to be five years.

These changes, implemented in part owing to the greater flexibility of IFRS 15, made it possible to align the accounting treatment of incremental costs paid to Financial Advisors in relation to the organic growth of assets under management with the treatment

of recruitment incentives tied to the acquisition of new customers (amortised over five years), thereby ensuring a more effective correlation between total fee expenses and the fee income generated by customer investments.

In particular, the modification affected the accounting treatment of ordinary sales incentives tied to the net inflow targets paid to the Financial Advisor Network, which had been previously accounted for according to the practical expedient of taking them in full to the profit and loss account for the year.

The modification, which qualifies as a change in accounting estimate in respect of the amortisation period for incentives, was applied prospectively in accordance with IAS 8.

Calculation of impairment losses

Impairment losses of financial assets

At each reporting date, in accordance with IFRS 9, financial assets other than those measured at fair value through profit or loss are tested for evidence that their carrying amounts may not be fully recoverable. Similar tests are also performed for loan commitments and guarantees issued that come within the scope of impairment testing pursuant to IFRS 9.

Where such evidence of impairment exists, the financial assets in question are considered impaired and included in stage 3, along with all remaining assets associated with the same counterparty, if any. Such exposures, represented by financial assets classified, in accordance with Bank of Italy Circular No. 262/2005, as bad loans, unlikely-to-pay loans and exposures past-due by more than 90 days must be accounted for by recognising impairment losses equivalent to the expected losses over their entire residual lifetimes.

Impairment losses of performing financial assets

For financial assets for which there is no evidence of impairment (performing financial instruments), it must be verified whether there are any indicators that the credit risk associated with each transaction has increased significantly with respect to initial recognition. The consequences of this assessment, from the standpoint of classification (or, to be more precise, “staging”) and measurement, are as follows:

- › where such indicators exist, the financial asset is classified as stage 2. In such case, in accordance with international accounting standards, and despite the absence of a manifest decline in value, measurement involves recognising impairment losses equal to the expected losses over the financial instrument’s entire residual lifetime;
- › where such indicators do not exist, the financial asset is classified as stage 1. In such case, in accordance with international accounting standards, and despite the absence of a manifest decline in value, measurement involves recognising impairment losses equal to the expected losses for the specific financial instrument over the following twelve months.

Such impairment losses are revised on each subsequent reporting date to verify periodically that they are consistent with constantly updated loss estimates and to take account of the changed forecasting period for calculating the expected loss, in the event of changes in indicators signalling a “significantly increased” credit risk.

With regard to the tracking of credit quality, in accordance with the provisions of the Standard and the Supervisory Authority’s instructions as to how to apply the Standard in the case of less significant institutions, a detailed analysis was conducted for each relationship, whether in the form of a security or a loan.

To identify whether there has been a “significant deterioration” of credit quality since initial recognition and there is thus a need for classification to stage 2 and, vice versa, whether the conditions have been met for reclassification from stage 2 to stage 1, it has been decided to make a comparison, at each reporting date, between the credit quality of the financial instrument at the time of measurement and at the time of initial disbursement or purchase (stage assignment).

In view of the above, the factors that will be decisive when determining transitions between the various stages are as follows:

- › a change in rating class with respect to the moment of initial recognition of the financial asset. In other words, this is an assessment according to a “relative” criterion;
- › the presence of a position past-due by at least 30 days. Where such positions exist, in other words, the credit risk of the exposure is presumed to have “significantly increased” and the position is thus reclassified to stage 2;
- › the presence of forbearance measures, which entail the classification of the exposure as among those whose credit risk has “significantly increased” with respect to initial recognition.

Some particular considerations apply to the staging of securities. In the case of this type of exposure — as opposed to loans — purchase transactions following an initial purchase of securities with the same ISIN may be a customary part of ordinary management of such positions (resulting in the need to establish an approach to identify sales and redemptions to determine the residual balances of individual transactions with which to associate a credit quality/rating upon origination to be compared with that as at the reporting date). The “first-in-first-out” (“FIFO”) method has thus been deemed to contribute to more transparent management of the portfolio, including from the standpoint of front-office personnel, thus also permitting assessments of credit-worthiness to be updated constantly on the basis of new purchases.

In addition, Banca Generali has adopted the low credit risk exemption (LCRE) provided for in IFRS 9 for certain financial assets, namely debt instruments issued by governments and public administrations. Accordingly, exposures that are rated investment grade or above as at the reporting date will be deemed low credit risk exposures and thus classified to stage 1.

Once exposures have been allocated to the various credit risk stages, expected credit losses (ECLs) are determined for each transaction or tranche of a security, on the basis of the parameters of probability of default (PD), loss given default (LGD) and exposure at default (EAD).

The measurement of financial assets also reflects the best estimate of the effects of future conditions — above all those of the economic context — with an impact on forward-looking PD and LGD.

Modifications to stage assignment

IFRS 9 requires that the assessment of expected credit losses on financial instruments measured at amortised cost allocated to the HTC and HTCS portfolios be closely connected to their inclusion in one of the three stages (credit risk stages), the last of which (stage 3) includes non-performing financial assets and the remainder of which (stages 1 and 2) include performing financial assets.

In particular, financial instruments are classified to stage 2 if on the reporting date they have undergone a significant increase in risk compared to origination, determined by reaching a rating class deemed excessively risky or by a significant rating notch difference.

In response to the Covid-19 emergency, international organisations and governments implemented extensive support programmes for the banking system and real economy, including, above all, the banking package promoted by the European Union and the public moratoria. The supervisory authorities also requested that financial institutions modify their processes for managing and hence for approving loans, so as to ensure, even in shock conditions, the proper assessment of temporary increases in risk profile, while also decreasing the procyclical effect of assessment models.

In adopting this regulatory framework, which thus views the Covid-19 emergency as a temporary phenomenon not destined to last over time, and in line with industry practices recently established amongst Italian financial institutions, the Banking Group decided to make significant changes to the current stage assignment model for the securities portfolio, as detailed below:

- › introduction of a module that formalises the legitimate use of temporary model changes in extraordinary conditions of use until conditions of normality are restored;
- › introduction of a rule against downgrading sovereign securities, where justified in terms of temporariness, validity, extraordinariness and severity; with regard to this latter point, a limit was identified in the form of a downgrade not resulting in a rating class lower than credit quality class 4 (equivalent to BB) (ECB Press Release of 22 April 2020);
- › replacement of the current rating assignment rule according to a predefined order (1. Moody's, 2. S&P and 3. Fitch) with the ECAI First Best Rating assignment rule, acknowledging that a security downgrade is only admitted if formulated unanimously by all rating agencies: Moody's, S&P, Fitch and DBRS;
- › addition of the ratings agency DBRS to the ECAIs Moody's, S&P and Fitch.

These changes are in line with the new regulatory requirement formulated in EBA "Statement on the application of the prudential framework regarding Default, Forbearance and IFRS 9 in light of COVID-19 measures", 25 March 2020, and in EBA "Guidelines EBA/GL/2020/02", 2 April 2020, which requires prudence in assessing the increase in risk profile, where not representative of the counterparty's long-term status.

Impairment losses of non-performing financial assets

Non-performing loans are measured as follows:

- › individual measurement of all exposures classified as bad loans;
- › individual measurement of all exposures classified as unlikely-to-pay (UTP) and overdrawn/past-due of amounts in excess of 10 thousand euros and secured positions under 10 thousand euros;
- › statistical measurement for all positions classified as unlikely-to-pay (UTP) and overdrawn/past-due below the above thresholds.

Individual measurement is performed by managers on individual positions on the basis of a qualitative and quantitative analysis of the debtor's financial performance and position, the risk level of the credit relationship and any mitigating factors (guarantees), while also taking account of the financial effect of the time estimated to be necessary for recovery.

In the case of bad loans in particular, significance is attached to a series of elements — present to varying degrees depending on the characteristics of the positions — to be assessed as thoroughly and prudently as possible, including, but not limited to:

- › the nature of the loan, i.e., preferred or unsecured;
- › the net assets of the obligors/third-party guarantors;

- › the complexity of ongoing or potential litigation and/or the underlying legal matters;
- › exposure of obligors to the banking system and other creditors;
- › most recent available financial statements;
- › legal status of obligors and pending insolvency and/or individual procedures.

Statistical assessments are conducted on the basis of the parameters set out in the ECB guidelines. Residual exposures of amounts beneath a predetermined threshold are fully written off.

The financial effect of time (time value) is not taken into account for exposures classified as overdrawn/past due by more than 90 days due to the high frequency of return to performing status in the short term.

Contributions to deposit guarantee systems and resolution mechanisms

Through Directives 2014/49/EU of 16 April 2014 and 2014/59/EU of 15 May 2014, respectively, the “Deposit Guarantee Schemes Directive (DGSD)” and “Bank Recovery and Resolution Directive (BRRD)”, and the institution of the Single Resolution Mechanism (Regulation (EU) No. 806/2014 of 15 July 2014), European lawmakers made significant changes to the rules concerning banking crises with the strategic aim of strengthening the single market and ensuring systemic stability. As illustrated in further detail below, the above legislative changes had a significant impact on financial performance and financial position as a result of the obligation to establish specific funds with financial resources that must be provided by contributions from financial institutions starting in 2015.

Contributions deriving from the Deposit Guarantee Schemes Directive (DGSD)

Directive 2014/49/EU, effective as of 3 July 2015, harmonises the levels of protection offered by national deposit guarantee schemes (DGSs) and their methods of intervention, with the aim of eliminating possible competitive disparities within the European market. To that end, the Directive provides that national DGSs (in Italy, the Interbank Deposit Protection Fund or FITD) must endow themselves with means commensurate to the deposits protected, which must be provided through mandatory contributions from financial institutions. The new element for Italian banks is the new mechanism for financing the fund: the previous after-the-fact contribution system, in which funds had been requested in case of need, was replaced by a mixed system, in which funds must be paid in advance, so as to reach, within ten years of the entry into force of the Directive (3 July 2024), a minimum target level of **0.8% of the deposits guaranteed**.

The contributions from each entity are calculated as a function of the ratio of the amount of own deposits to the total protected deposits in the country.

Article 10 of Directive 2014/49/EU provides that contributions are to be paid by banks with at least annual frequency.

In its extraordinary meeting of 26 November 2015, the FITD then amended its Articles of Association to comply with the new contribution rules and regulatory framework.

The Directive was then transposed into Italian law through Legislative Decree No. 30/2016.

Contribution charges deriving from the Bank Recovery and Resolution Directive (BRRD)

Directive 2014/59/EU establishes the new resolution rules, applicable from 1 January 2015 to all European Union banks in a state of current or prospective default. These rules, which introduce the “bail-in” principle, require, under certain circumstances, that funding for resolution may also be supported by a national resolution fund instituted by each of the 28 European Union Member States and managed by a national resolution authority.

To that end, the Directive provides that the national resolution funds be endowed with financial means provided through mandatory advance contributions from authorised financial institutions.

In particular, the funds are to be paid in advance until reaching a minimum target level, over a period of ten years, i.e., by 31 December 2024, of **1% of guaranteed deposits**³².

The contributions from each entity are calculated as a function of the ratio of its total eligible liabilities, i.e., net of own funds and the guaranteed deposits, to the total liabilities of all authorised financial institutions in the country.

In this context, on 16 November 2015 Italian Legislative Decrees Nos. 180/2015 and 181/2015 were enacted, introducing the National Resolution Fund into the Italian legal system and assigning the Bank of Italy the role of National Resolution Authority.

In particular, Articles 78 *et seqq.* of Legislative Decree No. 180/15 provide that such funds are to be financed by, among other sources:

- a) ordinary contributions paid on an annual basis in the amount determined by the Bank of Italy in accordance with Directive 2014/59/EU (Article 103) and commensurate for the purposes of reaching the fund's target funding level;
- b) extraordinary contributions when ordinary contributions are insufficient to cover losses, costs or other expenses incurred to achieve resolution objectives, up to an amount of three times annual average ordinary contributions.

³² Also in this case, in order to achieve the target level, the financial means provided by the credit institutions may include payment commitments up to a maximum of 30%.

The European Single Resolution Fund (SRF) managed by the European resolution authority, formed within the ECB (Single Resolution Board – SRB) as part of the Single Resolution Mechanism (SRM), became effective on 1 January 2016. Regulation (EU) 806/2014 specified that the Fund should reach a target level of means of at least 1% of the amount of the protected deposits of all authorised entities in the Banking Union in a period of eight years, from 1 January 2016 to 31 December 2023. The contribution rules for the period 2016-2023 were established in Article 8 of Implementing Regulation No. 81 of 2015. Accordingly, the banks of Member States of the Banking Union (including Italian banks) contributed to the National Resolution Fund in 2015 and to the Single Resolution Fund starting in 2016 (until 2023). During the initial period, when calculating each institution's individual contributions, this transfer was taken into account.

Accounting treatment of contribution charges deriving from the BRRD and DGSD

The accounting and reporting treatment applicable to contributions to resolution funds was the subject of the Bank of Italy's notice dated 20 January 2016, as well as of a notice dated 25 January 2017 specifically relating to "Additional contributions to the national resolution fund".

Similar conclusions were reached by ESMA in its Opinion 2015/ESMA/1462 "Application of the IFRS requirements in relation to the recognition of contributions to Deposit Guarantee Schemes in IFRS accounts" of 25 September 2015 with regard to non-reimbursable cash contributions to be paid in advance into deposit guarantee funds.

For financial reporting purposes, reference should be made to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets and the Interpretation IFRIC 21 – Levies, which entered into force on 1 January 2015.

The Interpretation concerns the accounting treatment of a liability for a levy where the liability falls within the scope of application of IAS 37.

As defined in IFRIC 21, "a levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation".

Obligations to contribute to the National Resolution Fund, in both ordinary and extraordinary form, are imposed by legislation, and thus fall within the scope of "levies" as defined in IFRIC 21.

IAS 37 and IFRIC 21 provide that a liability must be recognised when the obligating event that gives rise to a present obligation occurs. Since the Decree does not provide for contributions to be reduced or refunded to intermediaries, in whole or in part, whenever the obligating event occurs the liability relating to the contributions in question must be recognised for the full amount.

Since it is not possible to account for the liability through either an intangible asset pursuant to IAS 38 or a prepayment asset, the contributions must be recognised in profit and loss.

In this regard, the Bank of Italy has clarified that the item to which to classify such contributions, which for accounting purposes may be regarded as levies, is sub-item 160 b "General and administrative expenses – other general and administrative expenses" of the profit and loss account in the separate financial statements, and sub-item 190 b of the consolidated financial statements, which is also used to account for the indirect levies and taxes (paid and unpaid) accrued during the year.

Guarantee Fund for the Life Insurance Sector

Article 1, paragraphs 112-122, of the 2024 Budget Law provides for the establishment of a new Guarantee Fund for the Life Insurance Sector, with functions and characteristics substantially similar to those of the Interbank Deposit Protection Fund (FITD). The purpose of the Fund is to intervene in cases of compulsory administrative liquidation of member insurance undertakings, reimbursing the protected transactions up to a maximum amount of 100,000 euros to each entitled party.

The financial endowment will be constituted through contributions by members, so that it is proportionate to the Fund's liabilities and, in any case, equal to at least 0.4% of the amount of technical provisions (target level) to be gradually achieved starting from 1 January 2024 and by 31 December 2035 (12 years), of which four-fifths will be borne by insurance companies and one-fifth by intermediaries belonging to the Single Register of Intermediaries (RUI).

It was also established that, at the time of first application, the contributions due by insurance companies will be equal to 0.4‰ of the life insurance technical provisions, whereas those due by banks, brokerage companies (SIM), other financial intermediaries and Poste Italiane will amount to 0.1‰ of the intermediate life insurance technical provisions.

The General Meeting for setting up the Fund was held on 13 December 2024 at IVASS and appointed 3 members of the Executive Committee that will be tasked with drafting the Statute and calling in the ordinary contributions due in 2024.

On 30 December 2025, IVASS filed the Statute with the relevant Chamber of Commerce.

With regard to the accounting treatment, on 18 December 2024, IVASS published a letter to the market concerning the methods for recognising in the consolidated financial statements and in the separate financial statements the ordinary and extraordinary contributions that member undertakings are required to pay to the Guarantee Fund for the Life Insurance Sector.

This letter outlined the same guidelines provided for by the Bank of Italy and ESMA in relation to the contributions paid pursuant to the BRRD and the DGSD.

Pursuant to Italian Law No. 213/2023, in 2025 the provisional Executive Committee called in the annual contributions due in 2024 to be paid by Members on the basis of their intermediate life insurance technical provisions at 31 December 2023.

Pending the calling of the General Meeting of the Members that will elect the Fund bodies and in view of the accounting deadlines applicable to 2025 financial statements, the provisional Executive Committee required the recognition of a financial statement item for contributions due in 2025 of an amount calculated with the same methods, which in the case of Banca Generali entail the use of its intermediate life insurance technical provisions at 31 December 2024. This amount will be subsequently reviewed based on the provisions of the Statute of the Fund and the relating implementing regulations.

Business combinations

Business combinations are regulated by the IFRS 3 – *Business Combinations*.

Based on this standard, any acquisition of companies is accounted for using the “purchase method”, whereby the assets, liabilities, and contingent liabilities of the acquired company are recognised at fair value on the acquisition date. Any positive difference of the price paid over fair value is recognised as goodwill or other intangible assets; if the price is less, the difference is recognised in the Profit and Loss Account.

The “purchase method” is applied as of the acquisition date, i.e., from the time effective control of the acquired company is obtained. Accordingly, the results of subsidiaries acquired during the year are included in the Consolidated Financial Statements from the date of acquisition. Also the profit and loss results of a subsidiary that has been disposed of are included in the Consolidated Financial Statements, up to the date control is transferred.

Business combinations of entities under common control are not included in the scope of IFRS 3, nor are they covered by other IFRS. They are accounted for in accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*.

The IAS/IFRS provide specific guidelines for transactions not covered by IFRS (described in paragraphs 10-12 of IAS 8); according to these guidelines, management is required to consider the most recent pronouncements of other regulatory bodies that use a similar conceptual framework to define accounting standards.

In fulfilment of this requirement, it should be noted that the Financial Accounting Standards Board (FASB) has published an accounting standard regarding business combinations (FAS 141) that in some respects is similar to IFRS 3. Unlike IFRS 3, however, FAS 141 includes an appendix containing limited accounting guidelines for transactions under common control that were previously included in the Accounting Principles Board’s (APB) Opinion 16. According to the pooling of interest method, for this type of transaction the assets and liabilities of business combinations are stated at historical (book) value instead of fair value, and goodwill is not recognised.

This solution was essentially adopted at national level by Assirevi, with documents OPI No. 1R on the accounting treatment of business combinations of entities under common control, and OPI No. 2R on the accounting treatment of mergers.

Intra-group combinations or other combinations of entities under common control within Banca Generali Group are therefore accounted for based on the book value of the entity transferred. Any difference between the consideration paid for the acquisition of the equity interest and the book value of the entity transferred (based on the goodwill recognised) is deducted from the net equity of the acquirer, and the transaction is classified as an extraordinary distribution of reserves.

In a similar way, if an entity is disposed of, the amount received is directly recognised in an equity reserve, as it is a capital contribution by other companies of the Group to which it belongs.

Part A.4 – Information on Fair Value

With the introduction of IFRS 13, the definition of **fair value** has been modified with respect to IAS 39, with a view to a more market-based approach.

According to the new standard, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value is thus not an entity-specific measurement, but rather a market-based measurement.

In detail, measurement at fair value:

- › presumes that the asset or liability is exchanged in an orderly transaction between market operators under current market conditions;
- › refers to a particular asset or liability and must take account of the characteristics of the asset or liability that market participants take into account when pricing the asset or liability;
- › assumes that market participants act in their economic best interest;
- › assumes that the sale of the asset or the transfer of the liability takes place:
 - a) in the principal market for the asset or liability; or
 - b) in the most advantageous market, in the absence of a principal market.

Fair value hierarchy

International accounting standard IFRS 13 requires that financial assets be classified according to a hierarchy of levels (the “fair value hierarchy”) that reflects the significance of the inputs used in valuation:

- › **Level 1:** quoted prices (unadjusted) in an active market, as defined by IFRS 13;
- › **Level 2:** inputs other than the price quotations indicated above, observable on the market either directly (prices) or indirectly (price-derived data);
- › **Level 3:** inputs not based on observable market data.

For the purposes of the fair value hierarchy, inputs may thus be classified as:

- › **observable**, when the information used in the measurement techniques is based on market data obtained from sources independent of the Bank and available on the market;
- › **unobservable**, when they reflect assumptions by the Bank reached by drawing on the best available information in such circumstances.

Valuation criteria of the fair value of financial instruments

In 2010, Banca Generali adopted its Fair Value Policy, which sets out the procedures for measuring the fair value of financial instruments and entrusts responsibility for the measurement process to the Finance function and review and validation of the data to the Chief Risk Office.

The procedure lays down a decision-making process aimed at identifying the best measurement method in the context of the classification of available price sources in the three levels of the fair-value hierarchy.

The fair value of financial instruments is determined through the use of prices obtained from capital markets, if the instruments are quoted on active markets (mark-to-market approach) or through the use of valuation procedures for other financial instruments (mark-to-model approach), based on the analysis of recent transactions involving similar instruments (comparable approach) or, failing the latter, on valuation models.

When determining a financial instrument's fair value, it is thus fundamental to verify whether the market on which that instrument is traded may be considered active, i.e., whether the quoted prices observed represent actual, regular market transactions undertaken during a normal reference period and are promptly and regularly available through exchanges, intermediaries, brokers, industry companies, quotation services and other authorised entities.

Bonds (government bonds and securitisations), equity securities and exchange-traded funds (ETFs) listed on regulated markets and listed financial derivatives are normally considered to be listed on an active market that meets the foregoing requirements.

However, quotation on a regulated or official market does not in itself guarantee the presence of significant prices owing to the limited, sporadic nature of transactions (illiquid securities) on certain securities exchanges, such as that of Luxembourg, whereas there are market types that are unregulated yet show significant daily exchanges in terms of volumes that are suitable to providing prices on an ongoing basis.

Accordingly, most bonds are considered listed on an active market if objective parameters such as the following may be observed:

- › an adequate number of counterparties that presents a minimum number of executable ask and bid offers;
- › a spread between the ask and bid price that falls within an interval deemed appropriate; and
- › continuity of quotations on both sides of the market.

For financial instruments listed on active markets, the current bid price is used for financial assets and the current ask price for financial liabilities.

For equity securities, ETFs and government bonds listed on regulated markets, for which the bid-ask spread is not particularly material, the official closing price for the last trading day is also used.

A.4.1 Fair value Level 2 and Level 3: valuation techniques and inputs used

Financial instruments measured at fair value on a recurring and non-recurring basis

Level 2 of the fair value hierarchy includes all financial instruments whose fair value, despite not being directly observable on the market, may be estimated using valuation models based on:

- › inputs directly observable on the market (e.g., executable prices, interest rates or yield curves observable within various buckets, volatilities, credit spreads, etc.);
- › inputs indirectly observable on the market or based on observable market data and supported by strong evidence of correlation with observable market data (market-corroborated inputs).

With regard to **bond securities** (including government bonds and securitisations), the price sources to be used, where available, to determine fair value in the absence of an active market are as follows:

- › Bloomberg Generic Number (BGN), which represents Bloomberg's market consensus price and is calculated using both executable prices and indicative prices contributed to Bloomberg;
- › the Bloomberg Valuation Service (BVAL), which provides a valuation of bonds based on a three-stage pricing process: 1) observation of market data; 2) analysis of observed prices for similar instruments; and 3) valuation based on non-arbitrage models (for comparable yield curve models). The BVAL is considered a Level 2 price source when there is evidence that it is based on directly observable market data. In all other cases, it will be considered a Level 3 price source;
- › other consensus prices provided by Bloomberg, Telekurs or other Information Providers;
- › contributors' executable prices that do not meet the significance requirements;
- › valuation models developed by Banca Generali, implemented on front-office systems or provided by third-party providers, based on observable significant inputs, which have been validated by the Chief Risk Office.

UCITS not listed on regulated markets are normally not considered listed on active markets.

UCITS characterised by significant levels of transparency and liquidity are considered Level 2 and valued on the basis of the NAVs provided by the management company/fund administrator.

UCITS relating to private equity, private debt and similar activities are considered Level 3 and measured on the basis of the most recent available NAV, adjusted, where applicable, to take account of events not incorporated into unit value or on the basis of specific valuations, where it is necessary to reflect a different valuation of the fund's underlying assets.

With reference to the valuation method used for the Forward Fund, reference should be made to the information provided in Part E "Information on Risks and Risk Hedging Policies", Section 1 "Credit risk", Subsection E "Transfers", paragraph C "Prudential consolidation - Transferred financial assets fully derecognised" of these Notes and Comments.

As regard derivative instruments, valuation models are used that have been developed by Banca Generali, implemented on front-office systems or provided by third-party providers, based on observable significant inputs, which have been validated by the Chief Risk Office.

Since it is impossible or inappropriate to use the comparable approach for OTC financial derivatives, the Group uses widespread valuation techniques commonly used by financial operators, including:

- › the analysis of discounted cash flows;
- › option pricing models.

In addition, the class L3 of financial instruments measured according to non-observable market parameters includes securities measured according to prices and market data obtained from brokers.

Level 3 also includes certain financial instruments measured at cost in the absence of reliable estimates of fair value. These consist mainly of "minor equity investments" in companies with which the Group has service relationships, and disposal of which is not conceivable (CSE, GBS, Caricese, SWIFT, etc.).

Other financial assets and liabilities not measured at fair value on a recurring basis

The fair value and hierarchical classification of financial assets other than debt securities, equity securities and units of UCITS, as well as of financial and operating receivables classified amongst loans to banks and customers, are determined as follows.

Demand, uncommitted and short-term loans

The fair value of this class of assets, which essentially consists of uncommitted current account exposures, demand deposits or short-term time deposits, as well as operating receivables, is not believed to differ significantly from its carrying amount. Considering that the measurement process does not contemplate significant unobservable inputs, such instruments are typically classified as L2.

Loans with medium/long-term fixed contractual maturity

This class of assets consists primarily of medium- or long-term mortgages or loans with financial instruments as collateral.

The fair value of loans with amortisation schedules is calculated according to a discounted cash flow model that calls for the cash flows expected on the basis of the contractual amortisation schedule to be discounted at the proper rate for the risks associated with the instrument. This correction consists of a spread to be added to the risk-free discount rate for the cash flows.

The spread in question is to be defined in such a way as to include the following components of risk:

- › the cost of credit risk (the cost of covering expected losses in relation to credit risk);
- › the cost of funding (the cost of funding positions);
- › the cost of capital (the cost of covering unexpected losses in relation to credit risk);
- › operating costs (any other costs, specific to the type of loan, that are to be considered in the exit price).

The cost of credit risk is calculated on the basis of multi-period historic PDs related to the rating of the counterparty in the transaction and the LGD specific to the type of instrument.

Loans with a fixed contractual maturity are classified to Level 3 of the fair value hierarchy, in consideration of the significant presence of unobservable inputs (spreads determined on the basis of internal PD and LGD).

Non-performing exposures

When non-performing loans — bad loans, UTP positions and past-due loans — are separately assessed, their book value is believed to be a reasonable approximation of their fair value.

Such loans are classified to Level 3 of the fair value hierarchy.

Other financial liabilities

Financial liabilities classified as amounts due to customers and banks consist mainly of demand deposits, short-term time deposits and operating payables.

Such liabilities also include repurchase agreements that are set to mature within the year and, in the case of interbank funding, fully collateralised, with the determination of daily margins of change.

Such financial liabilities are subject to fair value measurement criteria similar to those applied to other demand or uncommitted financial assets.

A.4.2 Processes and sensitivity of measurements

For recurring fair value measurements categorised within Level 3 of the fair value hierarchy, IFRS 13 requires a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement.

The unobservable inputs capable of affecting the measurement of instruments categorised within Level 3 consist mainly of estimates and assumptions underlying the models used to measure investments in equities and other UCITS. For such investments, no quantitative analysis has been prepared of the sensitivity of the fair value to changes in unobservable inputs, given that the fair value either has been drawn from third sources without any adjustments or is the result of a model, the inputs to which are specific to the entity subject to measurement (i.e., the company's asset values) and for which the use of alternative values is not reasonably feasible.

The case in question does not apply to Level 3 financial instruments classified as assets measured at OCI and FVOCI. The reader is referred to the detailed analysis of individual positions provided in the subsequent section concerning quantitative information.

A.4.3 Fair value hierarchy

IFRS 13, recalling the contents of IFRS 7, requires that entities that apply IAS/IFRS make adequate disclosure of the fair value measurements used for each class of financial instruments, and in particular:

1. the level in the fair value hierarchy into which the fair value measurements are categorised, segregating instruments belonging to different categories;
2. any significant transfers between Level 1 and Level 2 during the year;
3. for instruments measured in Level 3, a reconciliation from the beginning balances to the ending balances, disclosing separately changes in profit and loss (in the Profit and Loss Account and net equity), purchases and sales, and transfers out of Level 3 due to the use of market data.

In this regard, it should be noted that transfers between levels refer to the end of the accounting period of reference (half-year or annual), in an independent manner, and generally enter into effect from the beginning of the year of reference. Transfers to and from Level 3 are infrequent and primarily involve the occurrence of situations of default, in which the Bank's subjective assessment of debt recoverability takes pre-eminence.

A.4.4 Other information

No cases envisaged in IFRS 13, paragraphs 48, 93(i) and 96, are reported in these Financial Statements.

Quantitative Information

A.4.5 Fair value hierarchy

A.4.5.1 Breakdown by fair value levels of assets and liabilities measured at fair value on a recurring basis

FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	31.12.2025			TOTAL
	L1	L2	L3	
1. Financial assets measured at fair value through profit or loss				
a) HFT financial assets	70,342	81	-	70,423
b) financial assets designated at fair value	-	-	-	-
c) other financial assets mandatorily measured at fair value	2,211	17,164	484,669	504,044
2. Financial assets measured at fair value through other comprehensive income	3,507,975	14,248	23,560	3,545,783
3. Hedging derivatives	-	153,464	-	153,464
4. Property and equipment	-	-	-	-
5. Intangible assets	-	-	-	-
Total	3,580,528	184,957	508,229	4,273,714
1. HFT financial liabilities	69,936	78	-	70,014
2. Financial liabilities designated at fair value	-	-	-	-
3. Hedging derivatives	-	188,984	-	188,984
Total	69,936	189,062	-	258,998

FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	31.12.2024			TOTAL
	L1	L2	L3	
1. Financial assets measured at fair value through profit or loss				
a) HFT financial assets	10	111	-	121
b) financial assets designated at fair value	-	-	-	-
c) other financial assets mandatorily measured at fair value	1,687	17,303	493,098	512,088
2. Financial assets measured at fair value through other comprehensive income	1,447,595	48,987	25,282	1,521,864
3. Hedging derivatives	-	131,220	-	131,220
4. Property and equipment	-	-	-	-
5. Intangible assets	-	-	-	-
Total	1,449,292	197,621	518,380	2,165,293
1. HFT financial liabilities	-	109	-	109
2. Financial liabilities designated at fair value	-	-	-	-
3. Hedging derivatives	-	176,947	-	176,947
Total	-	177,056	-	177,056

At the reporting date, Banca Generali's portfolios at fair value, i.e., the portfolio of financial assets measured at fair value through profit or loss, the portfolio of financial assets measured at fair value through other comprehensive income (HTCS) and hedging derivatives comprised 83.8% of financial assets allocated to class L1, increasing compared to the previous year (66.9%).

Item "HFT financial assets" refers to the Italian government securities included in Banca Generali's portfolio amounting to 70.3 million euros.

The portfolio of financial assets measured at fair value through other comprehensive income continued to be concentrated on sovereign debt, with the highest component made up of bonds issued by Italy and EU countries. It also included other debt securities (74.3 million euros), chiefly referring to the credit sector (54.0 million euros), and listed securities.

Financial assets allocated to the L2 class, on the other hand, consisted of hedging derivatives and unit-linked policies that, due to failing the SPPI Test, were reclassified among other financial assets mandatorily measured at fair value.

In the reporting year, no significant transfers of financial assets were performed between class L1 and class L2.

A.4.5.2 Year changes in financial assets measured at fair value on a recurring basis (level L3)

	FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS				FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME
	TOTAL	OF WHICH: A) HFT FINANCIAL ASSETS	OF WHICH: B) FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	OF WHICH: C) OTHER FINAN- CIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE	
1. Amount at year-start	493,098	-	-	493,098	25,282
2. Increases	947	-	-	947	6,197
2.1 Purchases	850	-	-	850	6,197
2.2 Gains through:	97	-	-	97	-
2.2.1 Profit or loss	97	-	-	97	-
of which:					
- capital gains	-	-	-	-	-
2.2.2 Net equity	-	X	X	X	-
2.3 Transfers from other levels	-	-	-	-	-
2.4 Other increases	-	-	-	-	-
3. Decreases	9,376	-	-	9,376	7,919
3.1 Disposals	613	-	-	613	4,565
3.2 Redemptions	1,776	-	-	1,776	-
3.3 Losses through:	6,837	-	-	6,837	3,354
3.3.1 Profit or loss	6,837	-	-	6,837	-
of which:					
- capital losses	6,576	-	-	6,576	-
3.3.2 Net equity	-	X	X	X	3,354
3.4 Transfers to other levels	-	-	-	-	-
3.5 Other decreases	150	-	-	150	-
4. Amount at year-end	484,669	-	-	484,669	23,560

Other L3 financial assets mandatorily measured at fair value include:

- › the investment in the Luxembourg vehicle Algebris of 101 thousand euros, and the units of the MIP I Fund amounting to 964 thousand euros;
- › the convertible loan of the company Conio Inc. signed in November 2024 for an amount of 4,166 thousand euros; the first loan, subscribed in December 2020, had reached maturity and was converted in shares;
- › the Forward Fund, subscribed in October 2021 for an initial amount of 378 million euros, as part of the restructuring of a portfolio of senior notes issued by several special-purpose vehicles in the securitisation of healthcare receivables. Additional units for 112 million euros were subscribed in 2022. At the end of 2025, the value of the fund was 479,438 thousand euros, with a 6,323 thousand euro capital loss.

By contrast, L3 financial assets in the portfolio of Financial assets measured at fair value through other comprehensive income, for a total amount of 23,560 thousand euros, consist of:

- › the equity investment in Conio Inc., a company operating in the cryptocurrency industry, acquired in December 2020, and that at 31 December 2025 had a value of 7,301 thousand euros;
- › the equity investment in the independent asset management company 8A+ Investimenti SGR, in which the Bank controls 19.5% of share capital for a value of 912 thousand euros at 31 December 2025;
- › some equity investments, which continued to be measured at purchase cost, in the absence of reliable estimates of fair value; these are the so-called “minor investments” in companies with which the Bank has long-term strategic service arrangements (CSE, Caricese, SWIFT, etc.) or commercial partnerships (Tosetti Value), for a total of 15.2 million euros;
- › the equity investment in Beyond S.p.A., amounting to 110 thousand euros.

The equity investment in MainStreet Partners, a company specialising in ESG ratings and advisory, was disposed of in the fourth quarter of 2025.

A.4.5.4 Breakdown by fair value levels of assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis

ASSETS/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS	31.12.2025			
	BV	L1	L2	L3
1. Financial assets measured at amortised cost	12,361,530	8,448,066	3,436,731	551,793
2. Property and equipment held as investments	-	-	-	-
3. Non-current assets held for sale and disposal groups	-	-	-	-
Total	12,361,530	8,448,066	3,436,731	551,793
1. Financial liabilities measured at amortised cost	15,837,009	-	15,837,009	-
2. Liabilities associated to assets held for sale	-	-	-	-
Total	15,837,009	-	15,837,009	-

ASSETS/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS	31.12.2024			
	BV	L1	L2	L3
1. Financial assets measured at amortised cost	12,555,586	9,145,993	2,790,190	618,178
2. Property and equipment held as investments	-	-	-	-
3. Non-current assets held for sale and disposal groups	-	-	-	-
Total	12,555,586	9,145,993	2,790,190	618,178
1. Financial liabilities measured at amortised cost	14,504,824	-	14,504,824	-
2. Liabilities associated to assets held for sale	-	-	-	-
Total	14,504,824	-	14,504,824	-

Part A.5 - Disclosure about so-called “Day-one profit/loss”

IFRS 7, paragraph 28, governs the specific case in which, following the purchase of a financial instrument measured at fair value but not listed on an active market, the transaction price, which generally represents the best estimate of fair value at initial recognition, differs from the fair value according to the valuation technique used by the entity. In this case, there is a valuation gain/loss upon acquisition of which adequate disclosure must be given by financial instrument class.

It should be noted that no such cases occur in these Financial Statements.

PART B – INFORMATION ON THE BALANCE SHEET - ASSETS³³

Section 1 – Cash and deposits - Item 10

1.1 Breakdown of cash and deposits

	31.12.2025	31.12.2024
a) Cash	29,783	29,853
b) Current accounts and demand deposits with Central Banks	275,015	843,070
b) Current accounts and demand deposits with banks	28,332	136,059
Total	333,130	1,008,982

Item b) Current accounts and demand deposits with Central Banks includes the value of the overnight deposit with the ECB.

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

2.1 HFT financial assets: categories

ITEMS/VALUES	31.12.2025			31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
A. Cash assets						
1. Debt securities	70,319	-	-	2	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	70,319	-	-	2	-	-
2. Equity securities	23	-	-	8	-	-
3. UCITS units	-	-	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total A	70,342	-	-	10	-	-
B. Derivatives						
1. Financial	-	81	-	-	111	-
1.1 Trading	-	81	-	-	111	-
1.2. Related to the fair value option	-	-	-	-	-	-
1.3 Other	-	-	-	-	-	-
2. Credit	-	-	-	-	-	-
2.1 Trading	-	-	-	-	-	-
2.2. Related to the fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
Total B	-	81	-	-	111	-
Total (A + B)	70,342	81	-	10	111	-

³³ A more detailed analysis of the fair value hierarchy of financial instruments (L1, L2, L3) is given in Part A.4 – Information on fair value of these Notes and Comments.

2.2 HFT financial assets: debtors/issuers/counterparties

ITEMS/VALUES	31.12.2025	31.12.2024
A. Cash assets		
1. Debt securities	70,319	2
a) Central Banks	-	-
b) General governments	70,317	-
c) Banks	-	-
d) Other financial corporations	-	-
of which:		
– insurance companies	-	-
e) Non-financial corporations	2	2
2. Equity securities	23	8
a) Banks	-	-
b) Other financial corporations	-	8
of which:		
– insurance companies	-	-
c) Non-financial corporations	23	-
d) Other issuers	-	-
3. UCITS units	-	-
4. Loans	-	-
a) Central Banks	-	-
b) General governments	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which:		
– insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
Total A	70,342	10
B. Derivatives		
a) Central counterparties	-	-
b) Other	81	111
Total B	81	111
Total (A + B)	70,423	121

Item “Debt securities” consists chiefly of Italian government securities acquired and included in the Bank’s portfolio.

2.5 Other financial assets mandatorily measured at fair value: categories

ITEMS/VALUES	31.12.2025			31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	-	-	4,166	-	-	5,308
1.1 Structured securities	-	-	4,166	-	-	5,308
1.2 Other debt securities	-	-	-	-	-	-
2. Equity securities	2,211	-	-	1,687	-	98
3. UCITS units	-	21	480,503	-	21	487,692
4. Loans	-	17,143	-	-	17,282	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	17,143	-	-	17,282	-
Total	2,211	17,164	484,669	1,687	17,303	493,098

2.6 Other financial assets mandatorily measured at fair value: debtors/issuers

ITEMS/VALUES	31.12.2025	31.12.2024
1. Equity securities	2,211	1,785
<i>of which:</i>		
– banks	–	–
– other financial corporations	2,211	1,785
– non-financial corporations	–	–
2. Debt securities	4,166	5,308
a) Central Banks	–	–
b) General governments	–	–
c) Banks	–	–
d) Other financial corporations	–	–
<i>of which:</i>		
– insurance companies	–	–
e) Non-financial corporations	4,166	5,308
3. UCITS units	480,524	487,713
4. Loans	17,143	17,282
a) Central Banks	–	–
b) General governments	–	–
c) Banks	–	–
d) Other financial corporations	16,305	16,444
<i>of which:</i>		
– insurance companies	16,305	16,444
e) Non-financial corporations	838	838
f) Households	–	–
Total	504,044	512,088

The UCITS portfolio includes the Forward Fund, an Italian AIF managed by Gardant SGR, specialised in illiquid investments. The fund was subscribed in October 2021 in the amount of 378 million euros, as part of the restructuring of a portfolio of senior notes issued by several special-purpose vehicles in the securitisation of healthcare receivables (past-due or related to disputes), which Banca Generali purchased from its customers to protect them against possible losses, and concurrently transferred to the Fund, subscribing 98% of its units. Additional units for 112 million euros were subscribed in 2022. At the end of 2025, the value of the Fund was 479,438 thousand euros. A 6,323 thousand euro capital loss on the Fund was recorded in 2025.

Equity investments in shares of the parent company Assicurazioni Generali S.p.A. amounted to 2,211 thousand euros at end of 2025.

Debt securities include just one convertible bond issued by Conio Inc. on 4 November 2024, with maturity set on 4 November 2026. The convertible loan subscribed on 9 December 2020 reached maturity on 31 May 2025 and was converted in shares.

Section 3 – Financial assets measured at fair value through other comprehensive income - Item 30

3.1 Financial assets measured at fair value through other comprehensive income: categories

ITEMS/VALUES	31.12.2025			31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	3,507,975	14,248	-	1,447,595	48,987	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	3,507,975	14,248	-	1,447,595	48,987	-
2. Equity securities	-	-	23,560	-	-	25,282
3. Financing	-	-	-	-	-	-
Total	3,507,975	14,248	23,560	1,447,595	48,987	25,282

3.2 Financial assets measured at fair value through other comprehensive income: debtors/ issuers

ITEMS/VALUES	31.12.2025	31.12.2024
1. Debt securities	3,522,223	1,496,582
a) Central Banks	-	-
b) General governments	3,443,606	1,479,087
c) Banks	58,247	16,490
d) Other financial corporations	20,370	-
<i>of which:</i>		
– insurance companies	-	-
e) Non-financial corporations	-	1,005
2. Equity securities	23,560	25,282
a) Banks	-	-
b) Other issuers	23,560	25,282
– other financial corporations	3,098	10,262
<i>of which:</i>		
– insurance companies	-	-
– non-financial corporations	20,462	15,020
– other	-	-
3. Loans	-	-
a) Central Banks	-	-
b) General governments	-	-
c) Banks	-	-
d) Other financial corporations	-	-
<i>of which:</i>		
– insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
Total	3,545,783	1,521,864

Item “Debt securities” includes assets sold but not written off, which refer to own securities used in repurchase agreements amounting to 790,816 thousand euros.

The equity securities portfolio includes 23,560 thousand euros referring to “minor equity investments”, which are largely related to service agreements concluded by the Group (CSE, Caricese, SWIFT, etc.) or agreements of a commercial nature (Tosetti Value SIM, 8a+ SGR, Conio Inc.), usually not listed and non-negotiable.

These equity investments are measured at purchase cost, recognising any impairment loss.

The equity investment in Conio falls within the broader corporate and commercial partnership with the Californian fintech company founded in 2015, which has positioned itself as a wallet provider that offers custody, negotiation and reporting services, currently focused on Bitcoins, on the Italian market, through its investee Conio S.r.l.

The equity investment in MainStreet Partners, a company specialising in ESG ratings and advisory acquired in 2023, was disposed of in the fourth quarter of 2025.

An additional 2% interest in CSE was acquired in December 2025, bringing the equity investment in the company's share capital to 12%.

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

	GROSS VALUE					TOTAL ADJUSTMENTS				
	STAGE 1	OF WHICH: LOW CREDIT RISK INSTRU- MENTS	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED	OVERALL PARTIAL WRITE-OFFS
Debt securities	3,522,551	3,443,914	-	-	-	328	-	-	-	-
Financing	-	-	-	-	-	-	-	-	-	-
Total at 31.12.2025	3,522,551	3,443,914	-	-	-	328	-	-	-	-
Total at 31.12.2024	1,496,833	1,479,334	-	-	-	251	-	-	-	-

In respect of the model for measuring expected credit losses (ECLs) provided for in IFRS 9, at 31 December 2025 collective reserves of 328 thousand euros were recognised for the debt securities portfolio, of which 308 thousand euros relating to the portfolio of government securities.

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

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

TYPE OF TRANSACTIONS/VALUES	31.12.2025						31.12.2024					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PUR- CHASED OR ORIGINATED CREDIT- IMPAIRED	L1	L2	L3	STAGE 1 AND STAGE 2	STAGE 3	PUR- CHASED OR ORIGINATED CREDIT- IMPAIRED	L1	L2	L3
A. Loans to Central Banks	128,547	-	-	-	128,547	-	119,013	-	-	-	119,013	-
1. Term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Minimum reserve	128,547	-	-	X	X	X	119,013	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Loans to banks	3,143,344	-	-	2,213,373	931,201	1,988	2,619,675	-	-	1,923,489	683,292	2,001
1. Loans	744,321	-	-	-	744,321	-	596,659	-	-	-	596,659	-
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Term deposits	62,178	-	-	X	X	X	33,064	-	-	X	X	X
1.3 Other loans:	682,143	-	-	X	X	X	563,595	-	-	X	X	X
– repurchase agreements	487,477	-	-	X	X	X	387,089	-	-	X	X	X
– lease loans	-	-	-	X	X	X	-	-	-	X	X	X
– other	194,666	-	-	X	X	X	176,506	-	-	X	X	X
2. Debt securities	2,399,023	-	-	2,213,373	186,880	1,988	2,023,016	-	-	1,923,489	86,633	2,001
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	2,399,023	-	-	2,213,373	186,880	1,988	2,023,016	-	-	1,923,489	86,633	2,001
Total	3,271,891	-	-	2,213,373	1,059,748	1,988	2,738,688	-	-	1,923,489	802,305	2,001

The item “Other loans – other” includes 187,144 thousand euros (166,157 thousand euros at 31 December 2024) relating to collateral margins paid to banking counterparties for derivatives transactions. The remaining 8 million euros is almost entirely attributable to operating receivables relating to placement and distribution of financial products, collected in the first few months of the following year.

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

TYPE OF TRANSACTIONS/VALUES	31.12.2025						31.12.2024					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PUR- CHASED OR ORIGINATED CREDIT- IMPAIRED	L1	L2	L3	STAGE 1 AND STAGE 2	STAGE 3	PUR- CHASED OR ORIGINATED CREDIT- IMPAIRED	L1	L2	L3
1. Loans	2,745,482	17,341	20,984	-	2,247,099	535,288	2,474,414	21,173	15,790	-	1,925,517	586,412
1.1 Current accounts	1,979,958	8,579	-	X	X	X	1,740,059	7,953	-	X	X	X
1.2 Repurchase agreements	27,334	-	-	X	X	X	-	-	-	X	X	X
1.3 Mortgages	479,611	5,131	-	X	X	X	517,898	9,534	-	X	X	X
1.4 Credit cards, personal loans and loans on wages	-	6	-	X	X	X	-	6	-	X	X	X
1.5 Lease loans	-	-	-	X	X	X	-	-	-	X	X	X
1.6 Factoring	-	-	-	X	X	X	-	-	-	X	X	X
1.7 Other loans	258,579	3,625	20,984	X	X	X	216,457	3,680	15,790	X	X	X
2. Debt securities	6,305,832	-	-	6,234,693	129,884	14,516	7,305,520	-	-	7,222,504	62,367	29,765
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	6,305,832	-	-	6,234,693	129,884	14,516	7,305,520	-	-	7,222,504	62,367	29,765
Total	9,051,314	17,341	20,984	6,234,693	2,376,983	549,804	9,779,934	21,173	15,790	7,222,504	1,987,884	616,177

Item 2.2, relating to debt securities, includes 63,595 thousand euros of senior notes issued in securitisation transactions. The ABS component decreased on the previous year (92,474 thousand euros) mainly due to the full reimbursement of the Credimi, Eridano and Progetto Quinto securitisations and some ABS of the CLO component. Detailed information on the securitised notes is given in Part E of these Notes and Comments.

The item “Debt securities” includes encumbered assets used as collateral for ECB refinancing operations totalling 366,378 thousand euros and securities held in deposit with Cassa di Compensazione e Garanzia amounting to 250,521 thousand euros. This item also includes own securities used in repurchase agreements amounting to 711,882 thousand euros.

Item 1.7 “Other loans” includes operating receivables relating to the placement and distribution of financial and insurance products in the amount of 101,440 thousand euros, consisting exclusively of short-term receivables from financial partners and insurance companies belonging to Generali Group, collected in the early months of the following year.

Breakdown of loans to customers – other transactions

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
Other grants	12,675	23,650
Loans on promissory notes	6,692	8,288
Stock exchange interest-bearing daily margin	72,876	27,931
Sums advanced to Financial Advisors	53,721	55,517
Operating loans	101,440	95,880
Interest-bearing caution deposits	1,157	1,017
Rights of recourse and usufruct rights	20,984	15,790
Amounts to be collected and other loans	13,643	7,854
Total	283,188	235,927

The item “Rights of recourse and usufruct rights” refers to the Bank’s rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, as well as to amounts receivable as a result of the transfer by Bank’s customers of usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024. Both categories of amounts receivable were recognised among loans to customers measured at amortised cost and classified as purchased or originated credit impaired (POCI).

In the year, the Bank’s residual 4.8 million euro usufruct rights were fully written off. The residual 20,984 thousand euros at year-end therefore related exclusively to the rights of recourse arising from the enforced guarantees.

Pursuant to IFRS 15, paragraph 116 a), the previous table includes the opening and closing balances of receivables within the scope of this standard (operating loans and amounts to be collected). In reference to paragraph 118 of IFRS 15, the change in receivables during the year was due to the Bank's normal operations and therefore is not attributable to changes arising on business combinations, contractual amendments or changes in the time required for the right to the consideration to become unconditional.

Sums advanced to Financial Advisors enrolled with the Register of Financial Advisors include non-performing positions for a net amount of 2,965 thousand euros, largely attributable to advances to former Financial Advisors who have left service due to a dispute or pre-dispute.

4.3 Financial assets measured at amortised cost: breakdown of loans to customers by debtors/issuers

TYPE OF TRANSACTIONS/VALUES	31.12.2025			31.12.2024		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED
1. Debt securities	6,305,832	-	-	7,305,520	-	-
a) General governments	6,143,024	-	-	7,041,168	-	-
b) Other financial corporations	120,883	-	-	224,910	-	-
of which:						
– insurance companies	-	-	-	-	-	-
c) Non-financial corporations	41,925	-	-	39,442	-	-
2. Loans to:	2,745,482	17,341	20,984	2,474,414	21,173	15,790
a) General governments	5	-	-	5	-	-
b) Other financial corporations	328,667	2,621	20,984	223,887	384	15,790
of which:						
– insurance companies	24,735	-	-	25,813	-	-
c) Non-financial corporations	284,004	5,864	-	255,185	10,490	-
d) Households	2,132,806	8,856	-	1,995,337	10,299	-
Total	9,051,314	17,341	20,984	9,779,934	21,173	15,790

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

	GROSS VALUE				TOTAL ADJUSTMENTS				
	STAGE 1	OF WHICH: LOW CREDIT RISK INSTRUMENTS	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED OVERALL PARTIAL WRITE-OFFS
Debt securities	8,706,535	-	-	2,642	-	1,680	-	2,642	-
Loans	3,424,398	-	196,310	37,271	20,984	1,603	755	19,930	-
Total at 31.12.2025	12,130,933	-	196,310	39,913	20,984	3,283	755	22,572	-
Total at 31.12.2024	12,303,483	-	219,691	41,480	17,066	3,745	807	20,307	1,276

In respect of the model for assessing expected credit losses (ECLs) provided for in IFRS 9, at 31 December 2025 performing loans measured at amortised cost, classified to Stage 1 and Stage 2, were recognised net of the collective reserves for a total of 4,038 thousand euros, of which:

- › 1,680 thousand euros relating to the debt securities portfolio;
- › 2,358 thousand euros relating to other loans.

Within this item, total value adjustments of exposures to banks amounted to 1,025 thousand euros, of which 833 thousand euros on debt securities and 192 thousand euros on other loans.

The provision for expected losses on debt securities refers instead to the government bond portfolio in the amount of 766 thousand euros.

The item relating to non-performing debt securities (Stage 3) refers to the Alitalia bond. This bond known as “Dolce Vita”, amounting to 2,642 thousand euros, was fully written down in the previous years due to the airline’s serious state of crisis, which resulted in a court declaration of the company’s insolvency and the commencement of the extraordinary administration procedure.

The provision for expected losses on trade receivables, measured in accordance with IFRS 9 5.5.15, was not material in view of the short-term nature of the exposures concerned, all of which were collected in full in the first few months of the following year.

4.4a Loans measured at amortised cost subject to Covid-19 support measures: gross value and total adjustments

	GROSS VALUE					TOTAL ADJUSTMENTS				
	STAGE 1	OF WHICH: LOW CREDIT RISK INSTRU- MENTS	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED	OVERALL / PARTIAL / WRITE-OFFS
4. Loans	1,462	-	-	580	-	-	-	56	-	-
Total at 31.12.2025	1,462	-	-	580	-	-	-	56	-	-
Total at 31.12.2024	21,378	-	325	1,654	-	6	-	218	-	-

Section 5 – Hedging derivatives - Item 50

5.1 Breakdown of hedging derivatives by type of hedge and hierarchy levels

TYPE OF TRANSACTIONS/VALUES	31.12.2025				31.12.2024			
	FAIR VALUE			NOTIONAL VALUE	FAIR VALUE			NOTIONAL VALUE
	L1	L2	L3		L1	L2	L3	
A) Financial derivatives	-	153,464	-	5,308,715	-	131,220	-	3,761,400
1) Fair value	-	145,304	-	4,366,715	-	123,861	-	3,156,400
2) Cash flows	-	8,160	-	942,000	-	7,359	-	605,000
3) Net investment in a foreign operation	-	-	-	-	-	-	-	-
B) Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	153,464	-	5,308,715	-	131,220	-	3,761,400

5.2 Breakdown of hedging derivatives by portfolios hedged and type of hedge

HEDGING TRANSACTIONS/TYPE	FAIR VALUE							CASH FLOWS			NET INVEST- MENT IN A FOREIGN OPERATION
	MICRO HEDGES							MACRO HEDGES	MICRO HEDGES	MACRO HEDGES	
	DEBT SECURITIES AND INTEREST RATES	EQUITY SECURITIES AND EQUITY INDICES	CURRENCIES AND GOLD	CREDIT	GOODS	OTHER					
1. Financial assets measured at fair value through other comprehensive income	264	-	-	-	X	X	X	85	X	X	
2. Financial assets measured at amortised cost	143,207	X	528	-	X	X	X	8,076	X	X	
3. Portfolio	X	X	X	X	X	X	1,304	X	-	X	
4. Other transactions	-	-	-	-	-	-	X	-	X	-	
Total assets	143,471	-	528	-	-	-	1,304	8,161	-	-	
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X	
2. Portfolio	X	X	X	X	X	X	-	X	-	X	
Total liabilities	-	-	-	-	-	-	-	-	-	-	
1. Expected transactions	X	X	X	X	X	X	X	-	X	X	
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-	

Section 7 – Equity investments - Item 70

7.1 Equity investments: disclosure on type of relations

COMPANY NAME	REGISTERED OFFICE	OPERATING OFFICE	% HELD	% OF VOTING RIGHTS
A. Wholly controlled subsidiaries				
1. BG Fund Management Luxembourg S.A.	Luxembourg	Luxembourg	100%	100%
2. Generfid S.p.A.	Milan	Milan	100%	100%
3. BG (Suisse) Private Bank S.A.	Lugano	Lugano	100%	100%
4. BG Aequitum S.A.	Lugano	Lugano	100%	100%
5. Intermonte Partners SIM S.p.A.	Milan	Milan	100.00%	100.00%
6. Intermonte SIM S.p.A.	Milan	Milan	87.05%	87.05%
C. Companies subject to significant influence				
1. Agorai Innovation Hub S.p.A.	Trieste	Trieste	7.6%	7.6%

Significant equity investments – accounting information

	31.12.2025	31.12.2024	CHANGE
Generfid S.p.A.	245	245	-
BG Fund Management Luxembourg S.A.	2,000	2,000	-
BG (Suisse) Private Bank S.A.	82,839	66,474	16,365
BG Valeur S.A.	-	-	-
Intermonte	97,679	-	97,679
Total	182,763	68,719	114,044

On 8 October 2021, BG Suisse S.A., a joint-stock company under Swiss law based in Lugano, had been incorporated by Banca Generali through an initial contribution of CHF 10 million with the aim of creating a new cross-border private service hub able to exploit the Swiss market's discontinuity due to the significant regulatory changes introduced to comply with the European regulations on financial services.

To this end, in January 2022, the company had filed with the Swiss Financial Market Supervisory Authority (FINMA) an application to obtain the banking licence necessary to operate on the Swiss market.

On 5 September 2023, the company finally obtained the FINMA's preliminary authorisation to start the banking activity, subject to compliance with certain requirements, including an adequate level of own funds. Accordingly, on 14 September 2023, Banca Generali carried out a further capital increase of CHF 40 million aimed at increasing the company's statutory share capital as required by the new Articles of Association.

The final authorisation was issued on 7 November 2023 and the new bank started operating on 1 December 2023.

In June 2024, the company's share capital was further increased by CHF 10 million, bringing the share capital fully paid-up since incorporation to CHF 70 million.

In October 2024, the company acquired, through contribution by Banca Generali, a 100% interest in BG Valeur S.A., thus establishing a Swiss banking group. The transaction was authorised by the General Shareholders' Meeting on 8 October 2024.

Banca Generali, which held a 90.1% majority interest in the company, acquired the remaining 9.9% interest from the minority shareholders in the first half of 2024. This transaction was aimed at subsequently transferring the 100% interest in the company to BG (Suisse) Private Bank S.A.

BG Suisse, following Banca Generali's transfer of its 100% interest in BG Valeur, consisting of 30,000 registered shares with a nominal value of CHF 100, issued in favour of the latter 12,300 new shares with a nominal value of CHF 1,000, for a total amount of CHF 12.3 million.

In the first quarter of 2025, the company's share capital was further increased by CHF 15.65 million, equal to 16.37 million euros. At 31 December 2025, the equity investment therefore amounted to 82.8 million euros.

Following the impairment tests, the equity investment had been written down by 13,982 thousand euros at 31 December 2023, in addition to a 3,972 thousand euro write-down recognised in 2022.

It should also be noted that on 31 October 2025, BG (Suisse) Private Bank S.A. finalised the acquisition of a 100% interest in the Lugano-based Swiss company Aequitum Holding S.A. and, through the latter, in the fully owned Aequitum S.A., an Alternative Investment Fund Manager (AIFM) specialised in asset management. Subsequently, following receipt of the competent Supervisory Authorities' authorisation, the two companies were merged into BG Valeur, which then changed its company name into BG Aequitum S.A.

The merger was finalised on 23 December 2025, with retroactive effects for accounting and tax purposes as of 1 November 2025.

On 16 September 2024, Banca Generali launched a voluntary tender offer in cash aimed at acquiring all the ordinary shares of Intermonte Partners SIM S.p.A. (IT0005460016), listed on the Italian Stock Exchange (EuroNext Growth Milan), for a consideration of 3.04 euros per each share including a premium of 24.0% with respect to the average performance of the previous three months and aimed to collect at least 90% of Intermonte shares, with the intention to delist the shares. Intermonte Group, made up of Intermonte Partners SIM S.p.A. (holding company) and Intermonte SIM S.p.A. (operating company), is a leading independent broker with a leadership position in the Italian market and thirty years of consolidated experience and success.

The Tender Offer was finalised on 31 January 2025 with the tender of 30,789,819 shares, equal to approximately 95.332% of the Offer shares. Following the transfer of the share ownership to Banca Generali, the latter paid to the shareholders participating in the Offer a cash consideration for a total of 93,601 thousand euros.

In light of the final results of the Tender Offer, Banca Generali decided to exercise the Right to Squeeze-Out provided for under Article 111 of TUF (thus concurrently fulfilling the corresponding Obligation to Squeeze-Out as per Article 108, paragraph 2, of TUF) on the remaining 1,339,086 shares (excluding treasury shares), equal to 4.146% of the Issuer's share capital, for a total consideration of 4,070.8 thousand euros overall.

This process was completed on 5 February 2025.

Accordingly, Borsa Italiana proceeded with Intermonte's delisting as of the session of Wednesday, 5 February 2025.

At 31 December 2025, Banca Generali therefore fully owned Intermonte Partners SIM S.p.A. and held an 87.05% interest in Intermonte SIM S.p.A.

With regard to the latter, it should be noted that on 15 January 2026, Banca Generali purchased the 11.6% and 1.34% minority interests held by Generali Italia S.p.A. and ICCREA Banca S.p.A., respectively, thus achieving — through Intermonte Partners SIM S.p.A. — full direct and indirect control of the company.

Intermonte stands out for its quality in its areas of activity — Negotiation & Trading, Global Markets, Investment Banking, Digital Division & Advisory and Research — which are complementary and synergistic to Banca Generali's activity and its private banking positioning, in particular with reference to entrepreneurs and small and medium-sized enterprises (SMEs). This transaction is part of the plan to strengthen Banca Generali's growth with the objective to create value for all stakeholders by further differentiating its market positioning from that of its peers by developing increasingly distinctive professional skills focused on wealth protection and advisory.

Subsidiaries under common control – accounting information

	31.12.2025	31.12.2024	CHANGE
BG Saxo SIM S.p.A.	-	3,545	-3,545
Total	-	3,545	-3,545

At 31 December 2024, item “Subsidiaries under common control” had included the equity investment in BG Saxo SIM S.p.A. BG Saxo SIM S.p.A. is an investment firm formed as part of the joint venture with Saxo Bank, in which Banca Generali acquired a 19.9% equity interest on 31 October 2019, then increased to 49.0% in 2024.

Banca Generali and Saxo Bank entered into an agreement to set up an exclusive partnership specialising in online trading and digital services, with the aim of offering Italian customers exclusive access to an innovative advanced trading platform based on Saxo Bank’s technology and managed by BG Saxo SIM.

In the first half of 2025, Banca Generali carried out a further capital increase of 980 thousand euros.

On 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, the Board of Directors authorised the exercise of the put option envisaged by the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026.

Accordingly, the equity investment in BG Saxo SIM S.p.A. was reclassified among non-current assets held for sale recognising an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

Companies subject to significant influence – accounting information

	31.12.2025	31.12.2024	CHANGE
Agorai Innovation Hub S.p.A.	620	-	620
Total	620	-	620

At 31 December 2025, the companies subject to significant influence included the equity investment in Agorai Innovation Hub S.p.A., aimed at developing an applied and basic research hub and training centre on data science and advanced artificial intelligence, based in Trieste.

It was incorporated on 11 April 2025 by several Generali Group companies, including Banca Generali, initially holding a 20.1% interest.

On 27 November 2025, a reserved capital increase was approved and was subscribed by new institutional shareholders, which reduced the Group’s equity investment to 49% and that of Banca Generali to just above 7.5%.

At 31 December 2025, the investment was however recognised among equity investments, in light of the significant influence that Generali Group continued to exercise by virtue of its stake and the representatives it has in the company’s corporate bodies.

7.5 Equity investments: year changes

	31.12.2025	31.12.2024
A. Amount at year-start	72,264	58,747
B. Increases	115,644	26,633
B.1 Purchases	115,644	13,987
B.2 Reversals	-	-
B.3 Revaluations	-	-
B.4 Other changes ^(*)	-	12,646
C. Decreases	4,525	13,116
C.1 Sales	-	71
C.2 Adjustments	3,017	41
C.3 Write-downs	-	130
C.4 Other changes ^(*)	1,508	12,874
D. Amount at year-end	183,383	72,264
E. Total revaluations	-	-
F. Total adjustments	17,955	19,849

^(*) Other changes of items Increases/Decreases (Items B4 and C4) recognised at 31 December 2024 referred for 12,646 thousand euros to Banca Generali’s transfer of its 100% interest in BG Valeur S.A. to BG (Suisse) Private Bank S.A.

Impairment tests of equity investments

In accordance with IAS/IFRS, equity investments were tested for impairment in order to verify whether there was objective evidence that the carrying amounts of the assets concerned may not be fully recoverable.

The impairment testing process for equity investments in associates and joint ventures involves verifying whether there are any impairment indicators and determining the amount of the impairment loss, if any.

The impairment indicators used for such unlisted equity investments are:

- › qualitative indicators, such as an operating loss or a significant deviation from budget objectives, the announcement of restructuring plans or the commencement of insolvency procedures;
- › quantitative indicators represented by a carrying amount of the equity investment in the separate financial statements that is significantly higher, for an extended period, than the carrying amount of the investee's net assets and goodwill in the consolidated financial statements.

Where there are impairment indicators, the recoverable amount is determined as the greater of the fair value net of costs to sell and value in use, and if this is lower than the carrying amount an impairment loss is recognised.

At 31 December 2025, the 49% equity investment in the joint venture BG Saxo SIM S.p.A., previously valued using the equity method, was reclassified among financial assets held for sale and valued at its expected realisable value, pursuant to IFRS 5.

The controlling interests recognised in the Separate Financial Statements of Banca Generali are tested for impairment, whenever there is an indication that they may be impaired, by adopting uniform assessments at the parent company and consolidated level with regard to the implicit goodwill allocated to the operating segments identified by the Bank.

In fact, controlling interests are normally included in larger operating segments, the scope of which may be transversal to the activities that they perform.

In this regard, it should be noted that, following the reorganisation of the operating segments in 2024, Swiss assets have been generally included in the Private & Wealth operating segment. For further details in this respect, reference should be made to Part G, Section 3, of these Notes and Comments and the Notes and Comments to the Consolidated Financial Statements.

At 31 December 2025, impairment testing was conducted on the controlling interest in BG (Suisse) Private Bank S.A. and Intermonte Partners SIM S.p.A.

To determine the recoverable amount of BG (Suisse) Private Bank S.A., both basic methodologies (to calculate value in use) and market assessments (to calculate fair value) were considered. To assess the value in use, the Bank applied the Dividend Discount Model (DDM), specifically the Excess Capital variant of said model.

Estimates were based on the data of the 2026-2030 plans.

The long-term growth rate used to estimate the terminal value was 0.7%. In addition, the cost of capital used to discount cash flows was 8.8%.

The Net Asset Value (NAV) method was instead applied to calculate the value in use of the equity investment in Intermonte Partners.

Intermonte's net equity at 31 December 2025 — the latest available data — was considered. All carrying amounts were deemed in line with the fair value of the corresponding financial statement items, except for the equity investment in ISIM, the fair value of which was determined using the DDM method, also taking into account the 87.95% interest held by Intermonte.

The long-term growth rate used to estimate the terminal value of ISIM was 2.0%, whereas the cost of capital used to discount cash flows was 12.2%.

The comparable market multiples method was also employed as the empirical method for both companies.

(€ MILLION)	CARRYING AMOUNT 31.12.2025	VALUE IN USE AT 31.12.2025			FAIR VALUE AT 31.12.2025			EXCESS VS CARRYING AMOUNT
		MIN	AVG	MAX	MIN	AVG	MAX	
BG Suisse	82.8	194.3	213.2	236.0	126.3	130.5	134.6	130.4
Intermonte	97.7	169.0	181.4	196.5	114.8	127.1	139.3	83.7
Total	180.5	-	-	-	-	-	-	-

The impairment test carried out on the equity investments did not detect any impairment losses.

The above-mentioned value analyses were supported by a fairness opinion issued by a major consulting firm and submitted for approval to Banca Generali's Board of Directors on 11 February 2026.

Section 8 – Property and equipment - Item 80

8.1 Breakdown of operating property and equipment: assets measured at cost

ASSETS/VALUES	31.12.2025	31.12.2024
1. Owned assets	7,072	6,732
a) Land	-	-
b) Buildings	-	-
c) Furniture	6,051	5,835
d) Electronic equipment	114	79
e) Other	907	818
2. Rights of use acquired through leases	122,991	118,912
a) Land	-	-
b) Buildings	121,595	117,829
c) Furniture	-	-
d) Electronic equipment	-	-
e) Other	1,396	1,083
Total	130,063	125,644
<i>of which:</i>		
- obtained through the enforcement of guarantees received	-	-

8.6 Operating property and equipment: year changes

	RIGHTS OF USE ACQUIRED THROUGH LEASES – BUILDINGS	RIGHTS OF USE ACQUIRED THROUGH LEASES – OTHER	FURNITURE	ELECTRONIC EQUIPMENT	OTHER	TOTAL
A. Gross amount at year-start	222,313	2,329	30,285	6,193	10,672	271,792
A.1 Total net impairment	104,484	1,246	24,450	6,114	9,854	146,148
A.2 Net amount at year-start	117,829	1,083	5,835	79	818	125,644
B. Increases	24,670	815	1,426	67	454	27,432
B.1 Purchases	18,904	815	1,426	67	454	21,666
B.2 Capitalised improvement costs	-	-	-	-	-	-
B.3 Reversals	-	-	-	-	-	-
B.4 Fair value positive changes in:	-	-	-	-	-	-
a) Net equity	-	-	-	-	-	-
b) Profit and Loss Account	-	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Transfers from buildings held as investments	-	-	X	X	X	-
B.7 Other changes	5,766	-	-	-	-	5,766
C. Decreases	20,904	502	1,210	32	365	23,013
C.1 Sales	-	-	-	-	-	-
C.2 Depreciation	20,904	468	1,209	31	358	22,970
C.3 Adjustments for impairment in:	-	-	-	-	-	-
a) Net equity	-	-	-	-	-	-
b) Profit and Loss Account	-	-	-	-	-	-
C.4 Fair value negative changes in:	-	-	-	-	-	-
a) Net equity	-	-	-	-	-	-
b) Profit and Loss Account	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) property and equipment held as investments	-	-	X	X	X	-
b) non-current assets held for sale and disposal groups	-	-	-	-	-	-
C.7 Other changes	-	34	1	1	7	43
D. Net amount at year-end	121,595	1,396	6,051	114	907	130,063
D.1 Total net impairment	118,364	1,086	25,241	6,138	10,177	161,006
D.2 Gross amount at year-end	239,959	2,482	31,292	6,252	11,084	291,069
E. Measured at cost	121,595	1,396	6,051	114	907	130,063

Section 9 – Intangible assets - Item 90

9.1 Breakdown of intangible assets by categories

ASSETS/VALUES	31.12.2025		31.12.2024	
	DEFINITE LIFE	INDEFINITE LIFE	DEFINITE LIFE	INDEFINITE LIFE
A.1 Goodwill	-	79,366	-	79,366
A.2 Other intangible assets	59,935	330	55,960	330
<i>of which:</i>				
– <i>software</i>	<i>32,642</i>	-	<i>24,873</i>	-
A.2.1 Assets measured at cost:	59,935	330	55,960	330
a) internally generated intangible assets	-	-	-	-
b) other assets	59,935	330	55,960	330
A.2.2 Assets measured at fair value:	-	-	-	-
a) internally generated intangible assets	-	-	-	-
b) other assets	-	-	-	-
Total	59,935	79,696	55,960	79,696

9.2 Intangible assets: year changes

	OTHER INTANGIBLE ASSETS					TOTAL
	GOODWILL	INTERNALLY GENERATED		OTHER		
		DEFINITE LIFE	INDEFINITE LIFE	DEFINITE LIFE	INDEFINITE LIFE	
A. Gross amount at year-start	79,366	-	330	176,230	-	255,926
A.1 Total net impairment	-	-	-	120,270	-	120,270
A.2 Net amount at year-start	79,366	-	330	55,960	-	135,656
B. Increases	-	-	-	23,003	-	23,003
B.1 Purchases	-	-	-	23,003	-	23,003
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Reversals	X	-	-	-	-	-
B.4 Fair value positive changes	-	-	-	-	-	-
- Net equity	X	-	-	-	-	-
- Profit and Loss Account	X	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	-	-	-	19,028	-	19,028
C.1 Sales	-	-	-	-	-	-
C.2 Adjustments	-	-	-	18,989	-	18,989
- Amortisation	X	-	-	18,989	-	18,989
- Write-downs	-	-	-	-	-	-
+ Net equity	X	-	-	-	-	-
+ Profit and Loss Account	-	-	-	-	-	-
C.3 Fair value negative changes	-	-	-	-	-	-
- Net equity	X	-	-	-	-	-
- Profit and Loss Account	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other changes	-	-	-	39	-	39
D. Net amount at year-end	79,366	-	330	59,935	-	139,631
D.1 Total net adjustments	-	-	-	139,259	-	139,259
E. Gross amount at year-end	79,366	-	330	199,194	-	278,890
F. Measured at cost	79,366	-	330	59,935	-	139,631

9.3 Intangible assets: other information

Breakdown of goodwill

(€ THOUSAND)	31.12.2025	31.12.2024
Merger of Prime Consult SIM and INA SIM	2,991	2,991
Merger of Banca del Gottardo	31,352	31,352
Credit Suisse Italy's business unit	27,433	27,433
Merger of BG Fiduciaria SIM S.p.A.	4,289	4,289
Merger of Nextam SGR and Nextam S.p.A.	12,201	12,201
Binck Bank N.V. Italy business unit	1,100	1,100
Total	79,366	79,366

Breakdown of intangible assets – other assets

(€ THOUSAND)	31.12.2025	31.12.2024
Charges associated with the implementation of legacy CSE procedures	32,642	24,870
Customer relationships (former Credit Suisse, former Nextam)	9,751	11,460
Other software costs	-	3
Advance payments on intangible assets	17,542	19,627
Total	59,935	55,960

Intangible assets recognised in respect of contractual relationships governing financial assets administered and managed on behalf of customers refer to the business combinations undertaken by Banca Generali in the course of the years and represent the economic assessment of the expected cash flows from those relationships on the basis of specific profitability coefficients and appropriate default rates, identified from time to time within the framework of PPA procedures.

In this regard, it should be noted that:

- › the 44,713 thousand euro consideration paid to acquire the former Credit Suisse's business unit in 2014 was initially allocated for 17,280 thousand euros to intangible assets and for 27,433 thousand euros to goodwill;
- › the consideration paid to acquire Nextam Partners Group in 2019 was initially recognised for 8.9 million euros to intangible assets attributable to the contractual relationships with customers of the Nextam Group and amortised over a total period of 16 years, for 0.3 million euros to the value of the Nextam trademark, and for 12.2 million euros to goodwill.

Impairment testing of goodwill

During the preparation of Banca Generali's 2025 Financial Statements, goodwill was tested for impairment and the carrying values were determined to be accurate. In this regard, reference should be made to Part G, Section 3, of these Notes and Comments and to the Notes and Comments to the Consolidated Financial Statements.

Section 10 – Tax assets and liabilities - Item 100 (Assets) and Item 60 (Liabilities)

Breakdown of item 100 (Assets): tax assets

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
Current taxation	64,951	3,056
Sums due for taxes to be refunded	1,397	986
IRES arising on National Tax Consolidation scheme	14,417	1,717
IRES in excess, surtax for banks, tax withholdings	1,569	353
IRAP	7,813	-
Receivables from tax authorities for reimbursement of excess IRAP paid on EU dividends	39,755	-
Deferred tax assets	82,440	82,740
With impact on Profit and Loss Account	81,162	81,760
IRES	66,964	67,749
IRAP	14,198	14,011
With impact on Net Equity	1,278	980
IRES	1,077	898
IRAP	201	82
Total	147,391	85,796

Current tax assets and liabilities represent the positive or negative imbalance between the estimated income taxes due for the year and the associated tax credits due to overpayments in previous tax periods, prepayments made and amounts withheld.

In further detail, for Banca Generali current IRES (corporate income) tax assets and liabilities take the form of account receivable from or payable to, respectively, the consolidating entity, Assicurazioni Generali S.p.A. Due to Banca Generali's participation in Assicurazioni Generali's tax consolidation scheme, the former's taxable profits or losses for IRES purposes, along with the tax credits to which it is entitled and sums withheld from it, are transferred to the consolidating entity, which then figures and pays the tax owed by the Group. The consolidating entity is also responsible for paying the taxes owed by or to the credit of the consolidated entity and requesting the associated prepayments.

Sums due for taxes to be refunded mainly include 1,397 thousand euros of foreign taxes withheld in the course of ordinary investment in debt securities, for which a full refund was applied under the relevant treaties for the avoidance of double taxation (910 thousand euros in 2024).

Other receivables relating to IRES chiefly include excess taxes related to the surtax for banks (1,569 thousand euros) and, to a lesser extent, to the merger of the Nextam Group, irrecoverable within the tax consolidation scheme, and previous excess taxes.

IRAP in excess arising from the reimbursement related to EU dividends amounting to a net **39,755 thousand euros** refers to the refund of the IRAP tax paid in prior years following the Judgment of the Court of Justice of the European Union No. 599 of 1 August 2025 concerning the joined cases from C-92/24 to C-94/24 (so-called “Mediolanum Judgment”).

It should be recalled that said Judgment acknowledged the incompatibility with EU law of the Italian law that provides for the inclusion in the basis of the assessment for IRAP tax of amounts corresponding to 50% of the dividends received by the parent companies from subsidiaries resident in other Member States, in that it is contrary to Directive 2011/96/EU (Parent-Subsidiary Directive), which does not allow to levy tax on more than 5% of the amount of said dividends³⁴.

Italian 2026 Budget Law (Law No. 199/2025) incorporated the principles laid down by the Judgment, thus reducing — with effect as of the 2025 fiscal year — from 50% to 5% the taxable portion of intragroup dividends and recognising the right to receive the reimbursement of the higher IRAP paid in prior years, in accordance with the terms set forth by the legislation in force, while also acknowledging the validity of all applications submitted before 31 December 2025.

On the basis of the new regulatory and case-law framework, the Company recognised its tax receivables from Tax Authorities as follows, taking exclusively into account the reimbursement applications:

- › to which, based on the Italian Tax Authority’s approach, no objection of timelessness applied, namely regarding 2017-2024 fiscal years; in a prudent perspective, no tax receivables were recognised with regard to the applications concerning prior fiscal years, the recovery of which would currently require the initiation of tax litigation;
- › adjusting the amount of the receivables due within the limit allowed by the Budget Law (45% instead of 50% recognised by the EU Court).

Total receivables from Tax Authorities amounted to **37,584 thousand euros** at 31 December 2025, to which **2,171 thousand euros** interest income accrued up to 31 December 2025 was added for late reimbursement of taxes paid under Article 44, paragraph 1, of Italian Presidential Decree No. 602/73.

Breakdown of item 60 (Liabilities): tax liabilities

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
Current taxation	-	5,827
IRES (surtax for banks)	-	994
IRAP	-	4,833
Deferred tax liabilities	8,402	10,994
With impact on Profit and Loss Account	6,455	6,550
IRES	5,457	4,303
IRAP	998	2,247
With impact on Net Equity	1,947	4,444
IRES	1,662	3,750
IRAP	285	694
Total	8,402	16,821

³⁴ Pursuant to the Italian tax law previously in force, 5% of these dividends had to be included in the basis of assessment for the IRES tax and 50% had to be included in the basis of assessment for the IRAP tax. Following the amendments introduced by the Budget Law, taxes may now only be levied on 5% of these dividends for both taxes.

10.1 Breakdown of deferred tax assets

TYPE OF TRANSACTIONS/VALUES	31.12.2025	PURSUANT TO LAW NO. 214/2011		PURSUANT TO LAW NO. 214/2011	
		31.12.2025	31.12.2024	31.12.2024	31.12.2024
With impact on Profit and Loss Account	81,162	3,535	81,760	3,535	
Provisions for liabilities and contingencies	72,132	-	73,700	-	
Write-downs of loans to customers before 2015, in instalments	619	619	619	619	
Redeemed goodwill of former Banca del Gottardo (Art. 15, para. 10, of Law Decree 185/08)	1,542	1,542	1,542	1,542	
Redeemed goodwill of former BG SGR (Art. 176, para. 2-ter, of TUIR)	588	588	588	588	
Goodwill of former BG Fiduciaria SIM (Art. 15, para. 10-ter, of Law Decree 185/08)	786	786	786	786	
Redeemed goodwill of former Nextam Partners (Art. 15, para. 10, of Law Decree 185/08)	784	-	1,569	-	
Redeemed goodwill of former Banca del Gottardo (Art. 110 of Law Decree 104/21)	1,834	-	1,976	-	
Collective write-downs (ECLs) on loans to customers and banks	207	-	316	-	
Other (IFRS 2-related charges accrued in 2024)	2,670	-	664	-	
With impact on Net Equity	1,278	-	980	-	
Measurement at fair value of HTCS financial assets	375	-	293	-	
Actuarial losses (IAS 19) on termination indemnity	595	-	572	-	
Cash flow hedge	308	-	115	-	
Total	82,440	3,535	82,740	3,535	

The DTAs eligible for conversion into tax credits pursuant to Italian Law No. 214/2011 include:

- assets relating to goodwill and other intangible assets subject to redemption pursuant to Article 10, paragraph 10 and paragraph 10-ter, of Law Decree 185/08 and Article 176, paragraph 2-ter, of TUIR (Consolidated Income Tax Law), relating to the redemption transactions undertaken before 2015; on the other hand, DTAs accrued in respect of realignment transactions undertaken in financial year 2021 cannot be transformed;
- assets related to adjustments to loans not deducted from taxes as at 31 December 2015, for which Law Decree No. 83/2015, by introducing a system of full deductibility of value adjustments with effect from that year, had remodulated deductibility percentages according to a thorough ten-year recovery scheme, originally set from 2016 to 2025, based on variable annual quotas³⁵.

Over time, many law provisions envisaged a longer deferment for the deduction of the goodwill and previous adjustments that had given rise to the recognition of deferred tax assets eligible for conversion into tax credits.

In particular, with regard to goodwill, they provided for:

- the remodulation of the deductibility of part of the goodwill and other intangible assets not deducted as at 31 December 2017 over a ten-year period, from 2019 to 2029, at different tax rates (2019 Budget Law No. 145 of 30 December 2018);
- the deferral until 2025 and the four subsequent years of the amortisation charges referring to the 2019 tax period (tax originally set at 5%) of goodwill and other intangible assets, which gave rise to the recognition of deferred tax assets eligible for conversion into tax credits. Accordingly, no DTAs eligible for conversion into tax credits were recovered in 2018 and 2019 (2020 Budget Law No. 160 of 30 December 2019);
- the deferral of the deduction of off-balance sheet amortisation charges of the goodwill eligible for conversion into tax credits to accrue in 2025 and 2026 for tax periods 2026-2029 and 2027-2029, respectively (2025 Budget Law No. 207 of 30 December 2024);
- the deferral of the deduction of 2027 off-balance sheet amortisation charges (12.36%) on a straight-line basis to the tax periods 2028 and 2029 (Article 1, paragraph 77, of the 2026 Budget Law No. 119/2025).

With regard to adjustments on loans not deducted as at 30 June 2015:

- the deferral of the deduction of the portion of adjustments that accrued in 2018, set by Law Decree No. 83/2015 at 10% to tax period 2026 (2019 Budget Law No. 145 of 30 December 2018), subsequently brought forward to 2022 and set at 5.3%;
- the deferral of the deduction of the portion of adjustments that accrued in 2019 (originally set at 12%), on a straight-line basis, to tax periods 2022-2025 (2020 Budget Law No. 160 of 30 December 2019);
- the deferral of the deductibility of 12% of the value adjustments for the tax period in progress on 31 December 2022, on a straight-line basis, to the tax periods 2023-2026 (Article 42 of Decree Law No. 17 of 1 March 2022);

³⁵ According to Article 16, paragraph 4, of Italian Law Decree No. 83/2015, impairment losses and losses on loans as per paragraph 1 recognised in the financial statements until the year in progress at 31 December 2014 and not yet deducted pursuant to Article 106, paragraph 3, of TUIR (Italy's income tax code), are deductible at 5% of their amount in the tax period in progress at 31 December 2016, at 8% in the tax period in progress at 31 December 2017, at 10% in the tax period in progress at 31 December 2018, at 12% in the tax period in progress at 31 December 2019 and until the tax period in progress at 31 December 2024, and at 5% in the tax period in progress at 31 December 2025. The same provision was introduced for the IRAP tax.

- › the deferral of the deduction of the portion of adjustments to loans previously deferred until 2024 (set at 1%) and until 2026 (set at 3%), on a straight-line basis, to tax periods 2027 and 2028 (2024 Budget Law No. 13 of 30 December 2023);
- › the deferral of the deduction of the portions relating to 2025 and 2026 of the adjustments to loans not deducted as at 30 June 2015 on a straight-line basis for tax periods 2026-2029 and 2027-2029, respectively (2025 Budget Law No. 207 of 30 December 2024);
- › the partial deferral of the deduction of the portions related to 2027 (3.80%) on a straight-line basis to the tax periods 2028 and 2029 (Article 1, paragraph 76, of the 2026 Budget Law No. 119/2025).

DTAs relating to the adjustments in question are not among those eligible for conversion into tax credits and amounted to 80 thousand euros at 31 December 2025.

In addition, the 2026 Budget Law also introduced further limitations on the deduction of adjustments on amounts receivable arising exclusively from the adoption of the model for assessing the provision allocated to cover expected credit losses (ECLs), with the sole exception of non-performing exposures (Stage 3), ruling that write-downs made in the 2026-2028 three-year period are deductible in five straight-line instalments as of the year in which the impairment loss was recognised in the Profit and Loss Account.

Moreover, said Budget Law provides, *inter alia*, for a 2% increase in the IRAP basic rate applicable to banks and insurance firms for the 2026-2028 three-year period.

DTAs relating to goodwill and not eligible for conversion into tax credits include DTAs deriving from the realignment operations carried out in 2021.

In 2021, Banca Generali proceeded to exercise the option to carry out the following operations to realign the carrying and tax values of goodwill, trademarks and other intangible assets, through payment of the related substitute taxes by the income tax payment deadline for the 2020 tax period:

- › realignment of the carrying values for goodwill, trademarks and intangible assets, resulting from the merger — effective 1 January 2020 for accounting and tax purposes — of the subsidiaries Nextam Partners S.p.A. and Nextam Partners SGR, carried out pursuant to:
 - Article 15 of Law Decree No. 185/2008 (special redemption), by payment of a substitute tax of 16% and subsequent amortisation over 5 years;
 - Article 176, paragraph 2-ter, of TUIR (ordinary redemption), limited to intangible assets, with payment of a substitute tax based on related tax brackets (12%-14%) and recognition of amortisation throughout the residual life of the intangible asset;
- › realignment of misalignments resulting from previous years' goodwill stated in the Financial Statements at 31 December 2019 and still present at 31 December 2020, pursuant to Article 110 of Law Decree No. 104/2020 (so-called "August Decree"), as amended by the 2021 Budget Law, through payment of a 3% substitute tax, and a subsequent right to benefit from the ensuing off-balance sheet amortisation initially set at 18 years and then subsequently extended to 50 years.

With regard to this special treatment, the 2022 Budget Law (Law No. 234 of 30 December 2021) subsequently extended the deduction period of temporary differences resulting from the above-mentioned realignments from 18 to 50 years, without prejudice to the possibility of maintaining the initial term of 18 years by paying the greater tax due for the ordinary redemption transactions or revoking the transaction in full with a refund of the substitute tax paid.

The Bank decided not to exercise this option and, accordingly, continues to deduct these temporary differences over the longer time horizon introduced by the law. However, as a result of the extremely long tax amortisation period, the Bank prudentially did not to recognise DTAs the reversal period of which exceeds the maximum duration of 18 years, without prejudice to the recovery of the portions not recognised in the subsequent years, based on the results of recoverability tests. Upon recognition of the above-mentioned realignments, initial recognition included, based on the method indicated in the OIC document application No. 1 of 1 February 2009, deferred tax assets (DTAs) for an amount of 6.5 million euros against 10.9 million euros overall receivable for the transactions carried out.

10.2 Breakdown of deferred tax liabilities

TYPE OF TRANSACTIONS/VALUES	31.12.2025	31.12.2024
With impact on Profit and Loss Account	6,455	6,550
Off-balance sheet goodwill deduction	3,457	2,792
Provision for termination indemnity (IAS 19)	152	152
Financial assets mandatorily measured at fair value through profit or loss	756	721
Retained earnings of subsidiaries (IAS 12, para. 38 40)	1,502	2,830
Other	588	55
With impact on Net Equity	1,947	4,444
Measurement at fair value of HTCS financial assets	559	2,101
Cash flow hedge	1,388	2,343
Total	8,402	10,994

The DTLs relating to goodwill deducted on an off-balance sheet basis refer for 349 thousand euros to goodwill redeemed in accordance with Article 10 of Italian Legislative Decree No. 104/2021, and for 3,023 thousand euros to goodwill recognised following the acquisition of the business units of the former Credit Suisse and Bink Bank, and for 85 thousand euros to Nextam.

The DTLs relating to financial assets mandatorily measured at fair value refer to the revaluation of equity instruments and unit-linked policies, the tax relevance of which is deferred until realisation.

10.3 Change in deferred tax assets (offsetting entry to the Profit and Loss Account)

	31.12.2025	31.12.2024
1. Amount at year-start	81,760	66,703
2. Increases	34,301	36,271
2.1 Deferred tax assets recognised in the year:	34,301	36,271
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) reversals	-	-
d) other	34,301	36,271
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	34,899	21,214
3.1 Deferred tax assets eliminated in the year:	34,899	21,214
a) transfers	34,601	20,755
b) write-downs for non-recoverability	-	-
c) change in accounting criteria	-	-
d) other	298	459
3.2 Decreases in tax rates	-	-
3.3 Other decreases:	-	-
a) conversion into tax credits pursuant to Law No. 214/2011	-	-
b) other	-	-
4. Amount at year-end	81,162	81,760

10.3-bis Changes in deferred tax assets pursuant to Law No. 214/2011

	31.12.2025	31.12.2024
1. Amount at year-start	3,535	4,658
2. Increases	-	-
3. Decreases	-	1,123
3.1 Transfers	-	1,123
3.2 Conversion into tax credits:	-	-
a) due to losses for the year	-	-
b) due to tax losses	-	-
3.3 Other decreases	-	-
4. Amount at year-end	3,535	3,535

10.4 Changes in deferred tax liabilities (offsetting entry to the Profit and Loss Account)

	31.12.2025	31.12.2024
1. Amount at year-start	6,550	4,631
2. Increases	2,306	3,141
2.1 Deferred tax liabilities recognised in the year:	2,306	3,141
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) other	2,306	3,141
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	2,401	1,222
3.1 Deferred tax liabilities eliminated in the year:	2,401	1,222
a) transfers	35	40
b) change in accounting criteria	-	-
c) other	2,366	1,182
3.2 Decreases in tax rates	-	-
3.3 Other decreases	-	-
4. Amount at year-end	6,455	6,550

10.5 Changes in deferred tax assets (offsetting entry to Net Equity)

	31.12.2025	31.12.2024
1. Amount at year-start	980	1,923
2. Increases	2,027	546
2.1 Deferred tax assets recognised in the year:	2,027	546
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) other	2,027	546
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	1,729	1,489
3.1 Deferred tax assets eliminated in the year:	243	1,291
a) transfers	243	1,291
b) write-downs for non-recoverability	-	-
c) change in accounting criteria	-	-
d) other	-	-
3.2 Decreases in tax rates	-	-
3.3 Other decreases	1,486	198
4. Amount at year-end	1,278	980

10.6 Changes in deferred tax liabilities (offsetting entry to Net Equity)

	31.12.2025	31.12.2024
1. Amount at year-start	4,444	495
2. Increases	354	4,181
2.1 Deferred tax liabilities recognised in the year:	354	4,181
a) related to prior years	-	-
b) change in accounting criteria	-	-
c) other	354	4,181
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	2,851	232
3.1 Deferred tax liabilities eliminated in the year:	1,365	34
a) transfers	719	34
b) change in accounting criteria	-	-
c) other	646	-
3.2 Decreases in tax rates	-	-
3.3 Other decreases	1,486	198
4. Amount at year-end	1,947	4,444

Section 11 – Non-current assets held for sale and disposal groups and associated liabilities - Item 110 (Assets) and Item 70 (Liabilities)

11.1 Non-current assets held for sale and disposal groups: categories

	31.12.2025	31.12.2024
A. Assets held for sale		
A.1 Financial assets	-	-
A.2 Equity investments	1,508	227
A.3 Property and equipment	-	-
<i>of which:</i>		
– <i>obtained through the enforcement of guarantees received</i>	-	-
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total A	1,508	227
<i>of which:</i>		
– <i>measured at cost</i>	-	-
– <i>measured at fair value Level 1</i>	-	-
– <i>measured at fair value Level 2</i>	-	-
– <i>measured at fair value Level 3</i>	-	-
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or loss	-	-
– HFT financial assets	-	-
– Financial assets designated at fair value	-	-
– Other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Property and equipment	-	-
<i>of which:</i>		
– <i>obtained through the enforcement of guarantees received</i>	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	-	-
<i>of which:</i>		
– <i>measured at cost</i>	-	-
– <i>measured at fair value Level 1</i>	-	-
– <i>measured at fair value Level 2</i>	-	-
– <i>measured at fair value Level 3</i>	-	-
C. Liabilities associated with assets held for sale		
C.1 Debts	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total C	-	-
<i>of which:</i>		
– <i>measured at cost</i>	-	-
– <i>measured at fair value Level 1</i>	-	-
– <i>measured at fair value Level 2</i>	-	-
– <i>measured at fair value Level 3</i>	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at amortised cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total D	-	-
<i>of which:</i>		
– <i>measured at cost</i>	-	-
– <i>measured at fair value Level 1</i>	-	-
– <i>measured at fair value Level 2</i>	-	-
– <i>measured at fair value Level 3</i>	-	-

11.2 Non-current assets held for sale and disposal groups: other information

On 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, Banca Generali's Board of Directors authorised the exercise of the put option envisaged by the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026.

Accordingly, pursuant to IFRS 5, at 31 December 2025 the equity investment was recognised among non-current assets held for sale for an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

The equity investment in Nextam Partners SIM S.p.A., recognised among assets held for sale in the Financial Statements at 31 December 2024, was sold in the second half of 2025.

Section 12 – Other assets - Item 120

12.1 Breakdown of other assets

	31.12.2025	31.12.2024
Fiscal items	191,477	143,748
Advances paid to Tax Authorities – current account withholdings	9,081	-
Advances paid to Tax Authorities – stamp duty	109,782	85,633
Advances of substitute taxes on capital gains	56,301	32,231
Other advances paid to and sums due from Tax Authorities	1,739	801
Tax Authorities/VAT	67	67
Tax Authorities/Superbonus	13,353	24,374
Tax Authorities/Other taxes to be refunded	409	608
Tax Authorities/Tax credits	745	34
Leasehold improvements	10,499	9,632
Operating loans not related to financial transactions	2,596	383
Sundry advances to suppliers and employees	6,578	5,206
Cheques under processing	5,039	4,221
Money orders and other amounts receivable	5,039	4,221
Other amounts to be debited under processing	87,871	80,460
Amounts to be settled in the clearing house (debits)	79	60
Clearing accounts for securities and funds procedure	53,830	51,141
Other amounts to be debited under processing	16,853	13,816
Assets from reclassification of portfolio subject to collection (SBF)	17,109	15,443
Amounts receivable for legal disputes not related to credit transactions	137	559
Trade receivables from customers and banks that cannot be traced back to specific items	68,420	63,502
Other amounts	241,398	225,342
Prepayments for the supplementary fees for Financial Advisor Network	65,098	63,910
Prepayments for ordinary incentives	124,428	117,539
Prepayments for three-year incentives	17,698	26,381
Other accrued income and deferred charges that cannot be traced back to specific items	33,978	17,333
Sundry amounts	196	179
Total	614,015	533,053

Receivables from Tax Authorities for current account withholdings, stamp duty and substitute taxes represent the positive imbalance between payments on account and the related payable to Tax Authorities.

Item "Tax Authorities/Tax credits" relates for 736 thousand euros to incentives for the purchase of 4.0 capital goods made in the 2021-2024 period and for which the preliminary application process was completed.

Other assets include assets associated with the incremental costs incurred to acquire or fulfil contracts with customers set out in IFRS 15, paragraphs 91-104.

Prepayments for the supplementary fees for the Financial Advisor Network refer to incremental fee expense of acquiring new customers paid to new Financial Advisors within the framework of recruitment programmes and based on the achievement of specific net inflow targets.

Prepayments for ordinary incentives paid to the Financial Advisor Network qualify instead as incremental costs for obtaining a contract or costs incurred to fulfil a contract and consist of fees paid annually to the existing Financial Advisor Network based on the achievement of net inflow targets, irrespective of whether they have been achieved by acquiring new customers or by strengthening relationships already in place with existing customers.

Costs are systematically amortised over a time horizon corresponding to the transfer to the customer of the goods or services to which the asset refers, estimated to amount to five years.

The changes in the main deferred charges during the year are shown below.

	31.12.2024	AMORTISATION	OF WHICH RELATED TO THE PREVIOUS YEAR	INCREASES	OTHER CHANGES	31.12.2025
Supplementary fees	63,910	-28,577	-22,765	29,765	-	65,098
Ordinary incentives	117,539	-57,302	-44,268	65,421	-1,230	124,428
Three-year incentives	26,381	-8,683	-8,683	-	-	17,698
Lux IM management fees	-	-4	-	975	-	971
Total network incentives	207,830	-94,566	-75,716	96,161	-1,230	208,195
Entry bonus on BG Solution portfolio management	8,958	-5,739	-4,105	18,902	67	22,188
Bonus on JPM funds	42	-29	-22	41	-	54
Total other acquisition costs	9,000	-5,768	-4,127	18,943	67	22,242
Total	216,830	-100,334	-79,843	115,104	-1,163	230,437

Other deferred charges that cannot be traced back to specific items include for 10,704 thousand euros prepaid expenses not accrued during the year and refer in particular to lease prepayments, insurance premiums and other general and administrative expenses.

PART B – INFORMATION ON THE BALANCE SHEET - LIABILITIES

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

1.1 Financial liabilities measured at amortised cost: due to banks – categories

TYPE OF TRANSACTIONS/VALUES	31.12.2025				31.12.2024			
	BOOK VALUE	FV			BOOK VALUE	FV		
		L1	L2	L3		L1	L2	L3
1. Due to Central Banks	-	X	X	X	-	X	X	X
2. Due to banks	259,774	X	X	X	359,073	X	X	X
2.1 Current accounts and demand deposits	60,734	X	X	X	69,461	X	X	X
2.2 Term deposits	-	X	X	X	3,001	X	X	X
2.3 Loans	186,023	X	X	X	281,270	X	X	X
2.3.1 Repurchase agreements	186,023	X	X	X	272,338	X	X	X
2.3.2 Other	-	X	X	X	8,932	X	X	X
2.4 Liabilities for repurchase commitments of own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease debts	-	X	X	X	-	X	X	X
2.6 Other debts	13,017	X	X	X	5,341	X	X	X
Total	259,774	-	259,774	-	359,073	-	359,073	-

The item “Other debts” refers for 5,467 thousand euros to deposits made by EFG Bank S.A. as a guarantee for some non-performing exposures, arising on the acquisition of Banca del Gottardo Italia (collateral deposits). The remainder consists of collateral margins on repurchase agreements and transactions in derivatives.

1.2 Financial liabilities measured at amortised cost: due to customers – categories

TYPE OF TRANSACTIONS/VALUES	31.12.2025				31.12.2024			
	BOOK VALUE	FV			BOOK VALUE	FV		
		L1	L2	L3		L1	L2	L3
1. Current accounts and demand deposits	13,638,995	X	X	X	12,696,646	X	X	X
2. Term deposits	60,823	X	X	X	244,069	X	X	X
3. Loans	1,470,851	X	X	X	886,084	X	X	X
3.1 Repurchase agreements	1,336,525	X	X	X	779,115	X	X	X
3.2 Other	134,326	X	X	X	106,969	X	X	X
4. Liabilities for repurchase commitments of own equity instruments	-	X	X	X	-	X	X	X
5. Lease debts	130,213	X	X	X	125,877	X	X	X
6. Other debts	176,271	X	X	X	193,075	X	X	X
Total	15,477,153	-	15,477,153	-	14,145,751	-	14,145,751	-

Item “3.2 Loans – Other” refers entirely to collateral margins on repurchase agreements and transactions in derivatives.

Item “5. Lease debts” includes the liability relating to lease payments determined on the basis of IFRS 16 – *Leases*, which entered into force on 1 January 2019.

Item 6 “Other debts” refers for 149,100 thousand euros to trade payables to the Financial Advisor Network and, for the remaining amount, to the stock of money orders issued by the parent company Banca Generali in relation to claims payment of Generali Group insurance companies and other sums made available to customers.

1.3 Financial liabilities measured at amortised cost: debt securities outstanding – categories

TYPE OF SECURITIES	31.12.2025				31.12.2024			
	BOOK VALUE	FV			BOOK VALUE	FV		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. Bonds	100,081	-	100,081	-	-	-	-	-
1.1 Structured	-	-	-	-	-	-	-	-
1.2 Other	100,081	-	100,081	-	-	-	-	-
2. Other securities	-	-	-	-	-	-	-	-
2.1 Structured	-	-	-	-	-	-	-	-
2.2 Other	-	-	-	-	-	-	-	-
Total	100,081	-	100,081	-	-	-	-	-

In December 2025, a preferred senior bond was issued for an aggregate value of 100 million euros, fully subscribed by Assicurazioni Generali through a private placement, with a view to increasing operational flexibility and efficiency. As regards the terms of the issue, it should be noted that the annual coupon was set at 3.345%. The issue has a maturity of 5 years set on 22 December 2030 and the issuer will be entitled to early redemption after 4 years of the issue date. The issue meets the MREL eligibility criteria imposed by the legislation in force.

1.6 Lease debts

Lease debts recognised in the Financial Statements at 31 December 2025 amounted to 130,213 thousand euros.

The following table shows the maturity of these lease debts in accordance with paragraphs 53(g) and 58 of IFRS 16 – *Leases*:

RESIDUAL LEASE DEBTS – YEAR	31.12.2025 AMOUNT
2026	21,284
2027	19,882
2028	18,603
2029	16,440
2030	14,518
2031	11,821
2032	11,070
2033	6,904
2034	3,735
2035	2,679
2036	2,119
2037	973
2038	185

Section 2 – Financial liabilities held for trading - Item 20

2.1 HFT financial liabilities: categories

TYPE OF TRANSACTIONS/VALUES	31.12.2025					31.12.2024				
	NV	FV				NV	FV			
		L1	L2	L3	FV ^(*)		L1	L2	L3	FV ^(*)
A. Cash liabilities										
1. Due to banks	-	-	-	-	-	-	-	-	-	-
2. Due to customers	68,203	69,936	-	-	69,936	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	68,203	69,936	-	-	69,936	-	-	-	-	
B. Derivatives										
1. Financial		-	78	-	-		-	109	-	-
1.1 Trading	X	-	78	-	X	X	-	109	-	X
1.2 Related to the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit		-	-	-	-		-	-	-	-
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Related to the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	X	-	78	-	X	X	-	109	-	X
Total (A + B)	X	69,936	78	-	X	X	-	109	-	X

(*) FV measured without taking account of issuer's creditworthiness changes compared to issue date.

Cash HFT financial liabilities amounted to 69,936 thousand euros and refer to amounts due to customers for overdrafts of securities accounts.

The remaining 78 thousand euros refer to hedged trading transactions relating to currency outright with customers as counterparty, fully offset in Item 20 – Assets.

Section 4 – Hedging derivatives - Item 40

4.1 Breakdown of hedging derivatives by type of hedge and hierarchy levels

In the year, the Bank continued its derivative activity entering into interest rate swaps to hedge debt securities, mostly Italian and foreign fixed-rate and index-linked government bonds allocated to the HTCS and HTC portfolios. For each hedging derivative, a highly effective micro fair value hedging relationship is formed.

The micro hedging derivatives portfolio also includes some cash flow hedge counter-hedges, mostly to hedge the HTC portfolio. In particular, these were hedges aimed at stabilising the future cash flows of fixed-rate asset swaps, even limited to a time portion thereof, through trading of forward IRSs.

A macro hedge is also applied to cover interest-rate risk of demand liabilities by entering into IRS contracts.

At 31 December 2025, the notional amounts of the hedging derivative liabilities outstanding amounted to approximately 5,318.8 million euros, of which 5,129.1 thousand euros relating to fair value hedges and 189.7 thousand euros relating to cash flow hedges.

	31.12.2025 - FAIR VALUE			NOTIONAL VALUE	31.12.2024 - FAIR VALUE			NOTIONAL VALUE
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	-	188,984	-	5,318,759	-	176,947	-	3,449,915
1) Fair value	-	187,816	-	5,129,100	-	176,553	-	3,249,256
2) Cash flows	-	1,168	-	189,659	-	394	-	200,659
3) Net investment in a foreign operation	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	188,984	-	5,318,759	-	176,947	-	3,449,915

4.2 Breakdown of hedging derivatives by portfolios hedged and type of hedge

HEDGING TRANSACTIONS/TYPE	FAIR VALUE						CASH FLOWS			
	MICRO HEDGES									
	DEBT SECURITIES AND INTEREST RATES	EQUITY SECURITIES AND STOCK INDICES	CURREN- CIES AND GOLD	CREDIT	GOODS	OTHER	MACRO HEDGES	MICRO HEDGES	MACRO HEDGES	NET INVEST- MENT IN A FOREIGN OPERATION
1. Financial assets measured at fair value through other comprehensive income	80	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	182,425	X	-	-	X	X	X	1,168	X	X
3. Portfolio	X	X	X	X	X	X	5,311	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	182,505	-	-	-	-	-	5,311	1,168	-	-
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	-	X	-	-	-	-	-	-	-	X
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 5 – Adjustment to macro-hedged financial liabilities - Item 50

5.1 Adjustment to hedged financial liabilities: breakdown by hedged portfolio

ADJUSTMENT TO HEDGED LIABILITIES/VALUES	31.12.2025	31.12.2024
1. Positive adjustment to financial liabilities	-	2,142
2. Negative adjustment to financial liabilities	4,532	-
Total	-4,532	2,142

The balance of this item represents the valuation effect of demand deposit liabilities macro-hedged against interest rate risk.

Section 6 – Tax liabilities - Item 60

Section 10 (Assets) provides an analysis.

Section 8 – Other liabilities - Item 80

8.1 Breakdown of other liabilities

	31.12.2025	31.12.2024
Trade payables	32,067	30,231
Due to suppliers	31,164	29,540
Due for payments on behalf of third parties	903	691
Due to staff and social security institutions	29,053	29,172
Due to staff for accrued annual leave, etc.	4,996	4,582
Due to staff for productivity bonuses	14,412	15,609
Contributions to be paid to social security institutions	3,492	3,363
Contributions to Financial Advisors to be paid to Enasarco	6,153	5,618
Tax Authorities	56,320	62,795
Withholding taxes to be paid to Tax Authorities on behalf of employees and contract workers	8,240	7,075
Current account withholdings	-	16,465
Withholding taxes on investment return to be paid to Tax Authorities	13,583	13,985
Notes to be paid into collection services	25,775	22,509
VAT payables and other tax liabilities	1,405	2,761
Extraordinary contribution to unlock the Windfall Tax reserve (Art. 1, para. 68-73, of Law 199/2025)	7,317	-
Amounts to be debited under processing	76,768	83,135
Bank transfers, cheques and other sums payable	2,481	2,814
Amounts to be settled in the clearing house (credits)	37,117	35,597
Liabilities from reclassification of portfolio subject to collection (SBF)	205	279
Other amounts to be debited under processing	36,965	44,445
Sundry items	93,424	84,408
Amounts to be credited	7,847	8,226
Sundry items	5,808	2,436
Amounts due as contribution to the Guarantee Fund for the Life Insurance Sector	2,417	2,230
Amounts due to Shareholders for dividends to be distributed	75,954	70,111
Accrued expenses and deferred income	1,009	1,108
Sums made available to customers	389	297
Total	287,632	289,741

As regards amounts due to Tax Authorities in light of the extraordinary contribution to unlock the Windfall Tax reserve, it should be recalled that Article 26 of Italian Law Decree No. 104/2023 had introduced an extraordinary tax to be levied on banks and calculated by applying a rate of 40% to the amount of net interest income recognised in 2023, with a tax cap equal to 0.26% of the RWAs recognised at the end of 2022. Alternatively, they could opt to book a non-distributable equity reserve of 2.5 times the amount of the tax, which the Bank had exercised, booking 26.6 million euros.

The 2026 Budget Law (Article 1, paragraphs 68-73 of Italian Law No. 199/2025) then established that any profit distribution made in financial years following 1 January 2028 would be automatically drawn from the above-mentioned reserve, resulting in the application of the originally envisaged 40% rate, in addition to the related interest, while also providing the option to pay an extraordinary contribution to unlock the said reserve calculated by applying lower rates, namely a 27.5% rate on the amount of the reserve at 31 December 2025 or a 33% rate of the amount of the reserve at 31 December 2026.

From an accounting perspective, it also clarified that the tax amount should be recognised as soon as the financial statements for the year ending 31 December 2025 with a balancing entry to an equity reserve and that, in order to be entitled to apply the lower rates in calculating the extraordinary contribution, the entity should formalise such decision before approving the 2025 draft financial statements.

Accordingly, on 11 February 2025, the Bank's Board of Directors resolved to authorise the unlocking of the reserve and the ensuing payment of the 27.5% extraordinary contribution, amounting to **7.3 million euros**, to be paid within the term set for the payment of the balance of income taxes for the same fiscal year.

Pursuant to paragraphs 116 a) and 116 b) of IFRS 15, it is reported that item “deferred income” includes liabilities associated with contracts within the scope of application of IFRS 15 and relating to three-year up-front fees received in connection with the distribution of certain classes of foreign UCITS.

Opening balance at 01.01.2025	57
Increases	50
Decreases due to the transfer to profit and loss	-41
of which:	
– relating to prior years	-22
Closing balance at 31.12.2025	66

Section 9 – Provisions for termination indemnity - Item 90

9.1 Provisions for termination indemnity: year changes

	31.12.2025	31.12.2024
A. Amount at year-start	3,370	3,744
B. Increases	180	143
B.1 Provisions for the year	95	107
B.2 Other increases	85	36
C. Decreases	686	517
C.1 Amounts paid	686	517
C.2 Other decreases	-	-
D. Amount at year-end	2,864	3,370

9.2 Other information

The amount of termination indemnity for employees can be considered as a non-financial defined benefit plan after the termination of the employment, in accordance with IAS 19.

The provision was measured based on the actuarial value using the methods described in Part. A.2 of these Notes and Comments.

The following are the main actuarial assumptions used and the breakdown of the provision for the year and actuarial gains/(losses):

	31.12.2025	31.12.2024
Discount rate	3.39%	3.14%
Annual inflation rate	2.00%	2.00%
Salary increase rate	2.00%	2.00%
Average duration (years)	7	7

	31.12.2025	31.12.2024
1. Provisions:	95	107
– current service cost	-	-
– interest cost	95	107
2. Actuarial gains and losses:	85	36
– based on financial assumptions	-77	-26
– based on actuarial demographic assumptions	162	62
Total provisions for the year	180	143
Actuarial value	2,864	3,370
Value calculated re. Article 2120 of the Italian Civil Code	2,802	3,521

Section 10 – Provisions for liabilities and contingencies - Item 100

10.1 Breakdown of provisions for liabilities and contingencies

ITEMS/VALUES	31.12.2025	31.12.2024
1. Provisions for credit risk relating to commitments and financial guarantees issued	26,192	11,796
2. Provisions for other commitments and other guarantees issued	-	-
3. Company provisions for pensions	-	-
4. Other provisions for liabilities and contingencies	303,428	325,888
4.1 Legal and tax disputes	15,493	14,373
4.2 Staff	17,492	17,578
4.3 Other	270,443	293,937
Total	329,620	337,684

Breakdown of other provisions for liabilities and contingencies

	31.12.2025	31.12.2024
Provisions for staff expenses	17,492	17,578
Provision for restructuring plan	7,485	8,800
Provision for staff expenses – other	10,007	8,778
Provisions for legal disputes	14,922	14,229
Provision for risks related to legal disputes connected with the Financial Advisor Network's embezzlements	5,060	4,694
Provision for risks related to legal disputes with the Financial Advisor Network	115	313
Provision for risks related to legal disputes with employees	100	-
Provision for other legal disputes	9,647	9,222
Provisions for termination indemnity of Financial Advisors	217,249	207,988
Provision for termination indemnity of the Financial Advisor Network	104,742	99,552
Provision for management development indemnity	17,437	13,132
Provision for portfolio overfee indemnities	6,615	7,509
Provision for pension bonuses	9,072	8,799
Provisions for Framework Loyalty Programme	35,969	35,582
Provision for three-year incentives	43,414	43,414
Provisions for Financial Advisor Network incentives	31,223	28,940
Provision for Financial Advisor Network development plans	22,995	21,263
Provision for deferred bonus	74	65
Provision for sales incentives	1,822	1,822
Provision for fees – travel incentives	6,000	5,300
Provision for fee plans	332	490
Provisions for tax and contributions/pension dispute	571	144
Other provisions for liabilities and contingencies	21,971	57,009
Total	303,428	325,888

10.2 Provisions for liabilities and contingencies: year changes

	PROVISIONS FOR CREDIT RISK RELATING TO COMMITMENTS AND FINANCIAL GUARANTEES ISSUED	PROVISIONS FOR PENSIONS	OTHER PROVISIONS FOR LIABILITIES AND CONTINGENCIES	TOTAL
A. Amount at year-start	11,796	-	325,888	337,684
B. Increases	73,823	-	63,306	137,129
B.1 Provisions for the year	43,306	-	63,306	106,612
B.4 Other increases	30,517	-	-	30,517
C. Decreases	59,427	-	85,766	145,193
C.1 Use in the year	59,403	-	37,930	97,333
C.3 Other decreases	24	-	47,836	47,860
D. Amount at year-end	26,192	-	303,428	329,620

Other provisions for liabilities and contingencies – details of movements

	31.12.2024	USES	SURPLUS	OTHER CHANGES	PROVISIONS	31.12.2025
Provisions for staff expenses	17,578	-2,878	-188	-1,957	4,937	17,492
Provision for restructuring plan	8,800	-1,120	-	-195	-	7,485
Provision for staff expenses – other	8,778	-1,758	-188	-1,762	4,937	10,007
Provisions for legal disputes	14,229	-6,037	-1,864	-	8,594	14,922
Provision for risks connected with the Financial Advisor Network's embezzlements	4,694	-469	-182	-	1,017	5,060
Provision for risks related to legal disputes with the Financial Advisor Network	313	-233	-262	-	297	115
Provision for risks related to legal disputes with employees	-	-	-	-	100	100
Provision for other legal disputes	9,222	-5,335	-1,420	-	7,180	9,647
Provisions for expenses due to Financial Advisors' contractual indemnities	207,988	-1,651	-3,302	-8,683	22,897	217,249
Provision for termination indemnity of the Financial Advisor Network	99,552	-1,542	-2,149	-	8,881	104,742
Provision for management development indemnity	13,132	-	-129	-	4,434	17,437
Provision for portfolio overfee indemnities	7,509	-3	-891	-	-	6,615
Provision for pension bonuses	8,799	-106	-133	-	512	9,072
Provisions for Framework Loyalty Programme	35,582	-	-	-	387	35,969
Provision for three-year incentives	43,414	-	-	-8,683	8,683	43,414
Provisions for Financial Advisor Network incentives	28,940	-16,983	-975	-	20,241	31,223
Provision for Financial Advisor Network development plans	21,263	-11,193	-975	-	13,900	22,995
Provision for deferred bonus	65	-	-	-	9	74
Provision for sales incentives	1,822	-	-	-	-	1,822
Provision for risks related to travel incentives	5,300	-5,300	-	-	6,000	6,000
Provision for fee plans	490	-490	-	-	332	332
Provisions for tax and contributions/pension dispute	144	-96	-	-	523	571
Other provisions for liabilities and contingencies	57,009	-10,285	-350	-30,517	6,114	21,971
Total	325,888	-37,930	-6,679	-41,157	63,306	303,428

10.3 Provisions for credit risk relating to commitments and financial guarantees issued

	PROVISIONS FOR CREDIT RISK RELATING TO COMMITMENTS AND FINANCIAL GUARANTEES ISSUED				TOTAL
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED	
Commitments to disburse funds	-	-	-	-	-
Financial guarantees issued	41	39	19	26,093	26,192
Total	41	39	19	26,093	26,192

The provision for credit risk relating to financial guarantees issued, considered impaired at the acquisition date, refers to several agreements entered into by the Bank to cover possible losses suffered by its customers in relation to the non-repayment of principal, within the contractual terms, of some securitised senior notes for which the Bank had acted as distributor.

Based on the agreements with customers, gross guarantees amounting to 32,637 thousand euros came due at year-end and were enforced in February 2026.

At 31 December 2025, a provision for expected losses was set aside for the guarantees issued, measured pursuant to IFRS 9, paragraph 5.5.1.

10.6 Provisions for liabilities and contingencies – other provisions

10.6.1 Provisions for staff expenses

Provisions for staff expenses include the following amounts:

- › the share of the variable remuneration of managers of the Banking Group deferred up to two years and conditional upon continuing satisfaction of the predetermined quantitative levels of asset solidity and liquidity (access gates) established in compliance with the Banking Group's Remuneration Policy;
- › allocations to the provision for the recruitment plans regarding new employed Relationship Managers (RMs), valued also based on the specific contractual conditions agreed upon and on the probability to achieve the net inflow targets set;
- › allocations for post-employment medical benefits of Group's managers, valued using the actuarial method pursuant to IAS 19;
- › the provision related to the performance bonus, if at the reporting date the company supplementary contract (CIA) has expired or has not been renewed yet.

The above-mentioned provisions have as their balancing entries item "Staff expenses".

Provisions for staff expenses also include, to a lesser extent, provisions outside the scope of IAS 19 but for which IAS 37 applies and that have therefore as their balancing entries net provisions for liabilities and contingencies.

10.6.2 Restructuring provisions – Redundancy incentives plan

The voluntary redundancy plan covered by the specific company restructuring provision was launched at the end of 2015 to encourage the rotation of resources through incentives for voluntary departure for groups of employees nearest to retirement age and the filling of the resulting vacant positions with professional and/or managerial profiles more suited to the specific skills now required from a business standpoint.

In December 2024, the Board of Directors extended the voluntary redundancy plan, for a final provision amounting to 8.8 million euros. At 31 December 2025, this provision amounted to 7.5 million euros.

10.6.3 Provisions for legal disputes

This type of provisions for risks includes provisions for litigations related to Financial Advisor Network's embezzlements after insurance coverage, as well as those with disputes currently underway with the Financial Advisor Network and employees and other court and out-of-court disputes with customers and other entities.

10.6.4 Provisions for contractual indemnities for the Financial Advisor Network

These include provisions for termination indemnities paid to the Financial Advisor Network, portfolio overfee indemnities, pension bonus, the provision associated with the Framework Loyalty Programme (approved by the General Shareholders' Meeting on 20 April 2017) and the provision for management development indemnity, in addition to the provision for three-year incentives.

The provision covering the cost of the **termination indemnity** of Financial Advisors with an agency agreement is valued as provided for by the law (Article 1751 of the Italian Civil Code) and the specific disbursement criteria defined by Banca Generali. Further details on the latter are provided in Part A.2 of the Notes and Comments to the Financial Statements for the year ended on 31 December 2025.

The expenses associated with obligations extant at year-end relating to Financial Advisors are valued using the statistical-actuarial method, with the advice of independent professionals.

The following are the main actuarial assumptions adopted:

TERMINATION INDEMNITY	31.12.2025	31.12.2024
Discount rate ³⁶	3.7%	3.7%
Turnover rate (professionals)	1.18%	1.12%
Average duration (years)	11 years	11 years
IAS 37 DBOs/Indemnity provision at the measurement date	58.95%	60.68%

The ratio of Deferred Benefit Obligations (DBOs) to the nominal value of the accrued obligation towards Financial Advisors is given using the value of the provision after one-off deductions related to seniority of service.

The increase in the provision for termination indemnities accrued by Financial Advisors in the year was largely due to the effect of the increase in fee bases and, to a lower extent, to the decrease in the discount rate applied.

A specific measurement is made for Financial Advisors who have left service.

The indemnity already accrued by Financial Advisors formerly employed by Credit Suisse, totalling 2.1 million euros, is still based on the payment criteria established by the previous employer and was recognised under provisions for risks. Their indemnity accrued with Banca Generali will be due only for any amount exceeding that accrued with Credit Suisse.

The **portfolio overfee indemnities** are instead a scheme (further details are provided in Part A.2 of the Notes and Comments to the Financial Statements as at 31 December 2025) that calls for Financial Advisors with at least five years of seniority who leave service permanently to be entitled to an indemnity commensurate to the profitability of the portfolio previously managed, in case of reassignment of the latter.

The indemnity due to the outgoing Financial Advisor is entirely borne by the incoming Financial Advisor identified by the Company, except for a residual guarantee by the Bank — equal to 25% of the total indemnity — in the event of termination for death or permanent disability.

Even in this case, the charge is determined based on the statistical actuarial method, with the support of independent experts and with reference to the percentage of the Bank's residual risk, i.e., 25% of the indemnity due in case of death or permanent disability.

The **"pension bonus"** is a component of the Financial Advisor Network's indemnity plans, which entailed the yearly provision of an amount based on the achievement of pre-set sales objectives and to be paid only upon final termination for retirement or permanent disability. The actuarial method is used also for this type of evaluation. This incentive has been discontinued as of 2016, without prejudice to the rights acquired by the beneficiaries in previous years.

Within the framework of provisions for contractual indemnities, on 21 March 2017 the **Board of Directors granted its final approval for a Framework Loyalty Programme** for the BG Network aimed at improving the retention of the Network and the customers acquired over time, and creating value for the Group by promoting stable, high-quality net inflows.

The Framework Loyalty Programme was initially divided into eight separate plans, all set to expire on 31 December 2026 and of decreasing lengths, which could be activated from one year to the next, with the authorisation of Banca Generali Group's corporate bodies and in accordance with its remuneration policies.

On 21 April 2022, the General Shareholders' Meeting resolved to suspend the Loyalty Framework Programme for the BG Network and accordingly the 6th 2022-2026 cycle was not activated.

The individual plans of the Framework Loyalty Programme for the BG Network already underway will all expire on 31 December 2026, after decreasing lengths, and each will allow part of the bonus to be paid in cash and part in shares of Banca Generali (max 50%), after having assessed their effects at the level of capital ratios and free float. The Banca Generali shares for each of the plans will be purchased on the market after authorisation is granted, from one year to the next, by the corporate bodies (Board of Directors and Shareholders' Meeting) and the Regulator.

Provisions for contractual indemnities refer also to the charge relating to the **management development indemnity** mechanism, approved by the Board of Directors in June 2018 and intended to ensure fair treatment of all network managers in the event of dismissal from their additional roles.

³⁶ The discount rate was determined on the basis of an average EURIRS curve for the last four quarters, increased linearly by the spread between the EURIRS rate and 10-year BTP.
The rate represented is the rate that corresponds to the average duration of the relevant liabilities, i.e., 11 years.

The 2022-2024 **three-year incentive plan**, approved by the Board of Directors on 18 March 2022 and further adjusted on 5 March 2024, is in addition to the annual incentives for the BG Network and is tied to the achievement of both several overall objectives set at the Banking Group level in terms of total net inflows and recurring fee income, established in the new Strategic Plan, and individual objectives.

All Financial Advisors, Relationship Managers and Network Managers in service at 31 December 2019 are entitled to the three-year incentives.

At 31 December 2024, the plan ended with full achievement of the three-year net inflows and cumulated recurring fee income objectives.

The three-year bonus will therefore be paid in 2026, provided that on 31 December 2025 the net inflow targets reached are no less than 90% of net inflows generated at the end of the three-year plan period.

Under the plan, special rules also apply to Financial Advisors eligible to participate in the previous Loyalty Framework Programme, for which a bonus floor applies, to be paid at the end of the three-year period if other conditions are met, provided that beneficiaries have reported no net outflows.

The multi-year incentives, tied to net inflow targets, qualify as costs of obtaining a contract pursuant to IFRS 15 and are expensed over a five-year period, like other similar incentives granted to the BG Network.

In addition, the Plan calls for the payment of the cash bonus only, with the sole exception of beneficiaries qualifying as Key Personnel in the three-year period, to whom the specific provisions of the Remuneration Policies (deferral, shared-based payment, etc.) apply.

10.6.5 Provisions for Financial Advisor Network incentives

This aggregate includes:

- › the estimated charges accrued in relation with several recruitment plans for middle-term expansion of managed portfolios. These plans envisage different kinds of incentives (entry bonus, deferred bonus, total assets bonus, etc.) related to the achievement of net inflow targets and the presence in the Company for one or more years (up to 5 or 7 years);
- › provisions for incentive plans based on the network's performance for the period, including the BG Premier Club trip and other special fee plans (supplementary allowances, stabilisers, target-achievement bonuses, etc.) that involve the payment of benefits or increases in advances paid when certain future conditions are met, such as continuous service on the network or the achievement of sales targets.

10.6.6 Tax and social security dispute

This item includes prudential provisions amounting to 571 thousand euros, mainly allocated due to social contributions.

10.6.7 Other provisions for liabilities and contingencies

Other provisions for liabilities and contingencies include provisions for operating risks.

In detail, other provisions for liabilities and contingencies included a total of 43.0 million euros to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, and to sustain customer retention. The latter also included provisions to hedge credit risk relating to guarantees issued amounting to 26.1 million euros.

In 2025, the provision rose by 45.5 million euros due to the use of 65.7 million euros mainly attributable to enforcement of guarantees issued to customers (59.4 million euros), settlement fees, other activities in favour of customers and costs for legal proceedings in progress against issuers of the illiquid instruments.

Section 12 – Company net equity - Items 110, 130, 140, 150, 160, 170 and 180

12.1 Breakdown of share capital and treasury shares

	UNIT VALUE	NUMBER	BOOK VALUE (€ THOUSAND)
Share capital			
– ordinary shares	1	116,851,637	116,852
Treasury shares			
– ordinary shares	1	-2,942,019	-96,103
Total		113,909,618	20,749

12.2 Share capital – Number of shares: year changes

ITEMS/TYPES	ORDINARY	OTHER
A. Existing shares at year-start	116,851,637	-
– paid up	116,851,637	-
– partially paid	-	-
A.1 Treasury shares (-)	-2,907,907	-
A.2 Outstanding shares: at year-start	113,943,730	-
B. Increases	376,668	-
B.1 Newly issued shares		
– against payment:	-	-
– business combinations	-	-
– bonds conversion	-	-
– exercise of warrants	-	-
– other	-	-
– for free:	-	-
– to staff	-	-
– to directors	-	-
– other	-	-
B.2 Disposal of treasury shares	376,668	-
B.3 Other changes	-	-
C. Decreases	-410,780	-
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-410,780	-
C.3 Disposal of companies	-	-
C.4 Other changes	-	-
D. Outstanding shares: at year-end	113,909,618	-
D.1 Treasury shares (+)	2,942,019	-
D.2 Existing shares at year-end	116,851,637	-
– paid up	116,851,637	-
– partially paid	-	-

12.3 Share capital: other information

At the reporting date, the share capital of the Bank consisted of 116,851,637 ordinary shares with no nominal value, with regular dividend entitlement, and it was fully paid up.

12.4 Earnings reserves: other information

	31.12.2024	PROFIT ALLOCATION - DIVIDEND DISTRIBUTION	BUY-BACK/ DISPOSAL OF TREASURY SHARES	ISSUE OF NEW SHARES	STOCK OPTION PLANS AND OTHER IFRS 2 - RELATED CHARGES	STOCK GRANT PLANS LTIP	OTHER CHANGES	31.12.2025
Legal reserve	23,370	-	-	-	-	-	-	23,370
Restricted reserve for shares of the Parent Company	1,687	-	-	-	-	-	524	2,211
Merger surplus reserve – BG SGR	3,853	-	-	-	-	-	-	3,853
Merger surplus reserve – BG Fiduciaria	10,901	-	-	-	-	-	-	10,901
Merger deficit reserve – Nextam S.p.A.	-802	-	-	-	-	-	-	-802
Reserves for IFRS 9 and IFRS 15 FTA	4,768	-	-	-	-	-	-	4,768
Share-based payments reserve (IFRS 2) – plans ended	507	-	-	-	-	-	-	507
IFRS 2 reserves – LTIP plans based on BG shares	5,901	-	-1,908	-	2,443	-	-	6,436
IFRS 2 reserves – LTIP cycles ended	10,550	-	-	-	-	-	-	10,550
IFRS 2 reserve – Key Personnel remuneration	13,397	-	-8,187	-	11,095	-	-	16,305
IFRS 2 reserves – BG Intermonte shares	-	-	-	-	972	-	-	972
IFRS 2 reserve – share-based plan	1,217	-	-	-	-	475	-	1,692
IFRS 2 reserve – Framework Loyalty Programme	13,481	-	-	-	2,640	-	-	16,121
Reserve for AT1 BG Perpetual coupon	-10,114	-	-	-	-	-	-4,857	-14,971
Restricted reserve pursuant to Article 6, para. 1(a), of Leg. Decree No. 38/2005	1,797	-	-	-	-	-	958	2,755
Restricted reserve pursuant to Article 26, para. 5-bis, of Leg. Decree No. 136 of 9 October 2023	26,607	-	-	-	-	-	-7,317	19,290
Reserve from profit (loss) carried forward	639,024	85,938	-	-	-	-	5,714	730,676
Equity reserve from the transfer of the funds business unit	3,710	-	-	-	-	-	-	3,710
Total	749,854	85,938	-10,095	-	17,150	475	-4,978	838,344

12.4.1 Disclosure pursuant to Article 2427, paragraph 7-bis, of the Italian Civil Code

As required by Article 2427, paragraph 7-bis, of the Italian Civil Code, the following table contains an analytical illustration of net equity items, including an indication of their origins, possible draw-downs and distribution, as well as draw-downs made in previous years.

	31.12.2025	POSSIBLE DRAW-DOWNS ⁽¹⁾	RESTRICTED PORTION	UNRESTRICTED PORTION	DISTRIBUTABLE PORTION	DRAW-DOWNS 2025-2023	
						DIVIDENDS	LOSSES
Share capital	116,852		116,852	-	-	-	-
Treasury shares	-96,103		-96,103	-	-	-	-
Share premium reserve	52,457	A, B, C ⁽³⁾	-	52,457	-	-	-
Equity instruments	100,000		100,000	-	-	-	-
Reserves	838,344		8,483	829,861	764,965	-	-
Legal reserve	23,370	B ⁽⁴⁾	-	23,370	-	-	-
Restricted reserve for shares of the Parent Company	2,211	B	2,211	-	-	-	-
Merger surplus reserve – BG SGR	3,853	A, B, C	-	3,853	3,853	-	-
Merger surplus reserve – BG Fiduciaria	10,901	A, B, C	-	10,901	10,901	-	-
Merger deficit reserve – Nextam S.p.A.	-802		-802	-	-	-	-
Reserve for AT1 BG Perpetual coupon	-14,971		-14,971	-	-	-	-
Share-based payments reserve (IFRS 2) – plans ended	507	A, B, C	-	507	507	-	-
IFRS 2 reserves – LTIP cycles based on BG shares	6,436	A ⁽⁵⁾	-	6,436	-	-	-
IFRS 2 reserves – LTIP cycles ended ⁽⁶⁾	10,550	A, B, C	-	10,550	10,550	-	-
IFRS 2 reserve – Key Personnel remuneration	16,305	A ⁽⁵⁾	-	16,305	-	-	-
IFRS 2 reserves – BG Intermonte shares	972	A ⁽⁵⁾	-	972	-	-	-
IFRS 2 reserve – 2019-2022 share plan	1,692	A ⁽⁵⁾	-	1,692	-	-	-
IFRS 2 reserve – Framework Loyalty Programme	16,121	A ⁽⁵⁾	-	16,121	-	-	-
Restricted reserve pursuant to Article 6, para. 1(a), of Leg. Decree No. 38/2005	2,755		2,755	-	-	-	-
Restricted reserve pursuant to Article 26, para. 5-bis, of Leg. Decree No. 136 of 9 October 2023	19,290	⁽⁸⁾	19,290	-	-	-	-
Reserve from profit (loss) carried forward	730,676	A, B, C ⁽⁷⁾	-	730,676	730,676	-	-
Equity reserve from the transfer of the funds business unit	3,710	A, B, C	-	3,710	3,710	-	-
FTA reserve	4,768		-	4,768	4,768	-	-
Valuation reserves ⁽²⁾	-2,727		-2,727	-	-	-	-
Reserve from valuation of actuarial gains and losses	-2,290		-2,290	-	-	-	-
Reserve from valuation of HTCS financial assets	-3,043		-3,043	-	-	-	-
Cash-flow hedge valuation reserve	2,606		2,606	-	-	-	-
Net profit (loss) for the year	455,551	A, B, C	-	455,551	455,551	X	X
Net equity for accounting purposes	1,464,374		126,505	1,337,869	1,220,516	-	-

(1) Availability refers to:

A – capital increase; B – replenishment of losses; C – distribution to shareholders

(2) Restricted reserve pursuant to Article 6 of Legislative Decree No. 38/2005.

(3) May not be distributed until the legal reserve has reached 1/5th of share capital (Article 2431 of Italian Civil Code).

(4) Draw-downs for capital increases and distributions may be effected exclusively for the portion, if any, exceeding 1/5th of share capital (Article 2430 of the Italian Civil Code).

(5) The reserve can only be used for stock option plans.

(6) This reserve shows the increase in capital ensuing from share-based payments to employees and Directors through assignment of shares of the parent company Assicurazioni Generali S.p.A.

(7) With regard to the realignments carried out in 2021 pursuant to Article 110 of Law Decree No. 104/2021, the implementation of this option had required that a tax restriction be placed on a portion of the reserve from profit (loss) carried forward in an amount corresponding to the higher values subject to realignment, net of the substitute tax. The restriction put in place was subsequently ratified by the General Shareholders' Meeting on 21 April 2022.

(8) With regard to the so-called Windfall Tax for Banks and, on the basis of the provisions introduced upon conversion into law of Italian Law Decree No. 104/2023, the Bank opted to allocate the tax to strengthening the Group's capital. With the approval of the proposal for the distribution of the profit for 2023 by the General Shareholders' Meeting convened in April 2024, a 26.6 million euro non-distributable equity reserve fully computable in CET1 was created. In 2025, pursuant to Italian Law No. 199/2025 (2026 Budget Law), the Bank approved the payment of 7.3 million euros as extraordinary contribution to unlock the Windfall Tax reserve, recognised directly in net equity.

Pursuant to Article 2427, paragraphs 1-22-septies, 2025 net profit will be allocated as follows:

› 338,870 thousand euros as dividend distributed to Shareholders;

› 116,681 thousand euros to retained earnings.

Reserves subject to a tax restriction imposed on a portion of the reserve from profit carried forward

Item “Reserve from profit carried forward” includes a portion of earnings subject to a tax restriction pursuant to Article 110, paragraph 8, of Italian Law Decree No. 104/2021, amounting to 31,827 thousand euros.

In 2021, Banca Generali had elected to realign the accounting and tax values of goodwill recognised at 31 December 2021, pursuant to Article 110 of Law Decree No. 104/2021.

However, implementing this option required, on pain of inefficacy, that a tax restriction be placed on a portion of reserves in the Financial Statements at 31 December 2020, in an amount corresponding to the higher values subject to realignment, net of the substitute tax (Article 110, paragraph 8).

The rules governing tax-suspended reserves for revaluation balances apply to the portion of the reserve for profit carried forward subject to this restriction. In particular, in the event of distribution of the reserve, the amounts allocated to shareholders form the taxable income of the Company, which is entitled to a tax credit equal to the 3% substitute tax paid, and that of the shareholders.

Furthermore, as indicated by the Italian Tax Authorities in its response No. 539 of 9 August 2021 and Circular No. 6/E of 1 March 2022, since the option was exercised after the date of approval of the Financial Statements for the year ended 31 December 2020, the application of the restriction was approved, at the proposal of the Bank’s Board of Directors, by the Shareholders’ Meeting on 21 April 2022, when approving the Financial Statements for the year ended 31 December 2021.

The restricted reserve amounted to 31,827 thousand euros, taking into account differences subject to realignment of 32,811 thousand euros and tax due of 984 thousand euros.

Tax-suspended reserve pursuant to Art. 110, para. 8, of Law Decree 104/2021

Accounting differences subject to realignment	32,811,223
Substitute tax due	-984,337
Restricted portion of reserve for profit carried forward	31,826,886

12.5 Breakdown of equity instruments: year changes

On 8 August 2024, the Bank finalised a new issue of Additional Tier 1 (AT1) instruments in the aggregate amount of 100 million euros to be fully subscribed by Generali Group companies through a private placement. Following this transaction and after authorisation by the Supervisory Authority, on 22 December 2024 Banca Generali made an early redemption of the similar AT1 financial instruments issued in 2019 amounting to 50 million euros.

The new issue in the form of perpetual bonds envisages a non-cumulative half-yearly coupon that has been set at 6.7% per annum, to be subsequently recalculated every five years. In accordance with the applicable law and market practices, the issue is perpetual and the issuer will be entitled to early redemption only starting from the fifth year from the date of issue (8 August 2029), subject to prior authorisation from the Supervisory Authority and satisfaction of the conditions provided for by applicable legislation.

(€ THOUSAND)	31.12.2025	31.12.2024
Amount at year-start	100,000	50,000
Issue-related increases	-	100,000
Decreases for reimbursements	-	-50,000
Amount at year-end	100,000	100,000

PART B – INFORMATION ON THE BALANCE SHEET - OTHER INFORMATION

1. Commitments and financial guarantees issued (other than those designated at fair value)

TRANSACTIONS	NOMINAL VALUE OF COMMITMENTS AND FINANCIAL GUARANTEES ISSUED				31.12.2025	31.12.2024
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED		
1. Commitments to disburse funds	-	-	-	-	-	-
a) Central Banks	-	-	-	-	-	-
b) General governments	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial corporations	-	-	-	-	-	-
e) Non-financial corporations	-	-	-	-	-	-
f) Households	-	-	-	-	-	-
2. Financial guarantees issued	87,448	6,933	38	32,637	127,056	118,944
a) Central Banks	-	-	-	-	-	-
b) General governments	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial corporations	8,293	22	-	32,637	40,952	34,037
e) Non-financial corporations	32,240	465	35	-	32,740	29,009
f) Households	46,915	6,446	3	-	53,364	55,898
Total	87,448	6,933	38	32,637	127,056	118,944

Commitments to disburse funds include commitments subject to mandatory and optional use towards customers and refer to irrevocable lines of credit already granted.

At 31 December 2025, financial guarantees issued, considered impaired at the acquisition date, referred to some agreements entered into by the Bank to cover possible losses suffered by its customers in relation to the non-repayment, within the contractual terms, of the principal on senior notes in a securitisation transaction for which the Bank had acted as distributor.

The guarantees came due and were enforced in February 2026.

2. Other commitments and other guarantees issued

TRANSACTIONS	NOMINAL VALUE	
	31.12.2025	31.12.2024
1. Other guarantees issued	-	-
<i>of which:</i>		
– <i>non-performing</i>	-	-
a) Central Banks	-	-
b) General governments	-	-
c) Banks	-	-
d) Other financial corporations	-	-
e) Non-financial corporations	-	-
f) Households	-	-
2. Other commitments	1,403,385	1,127,838
<i>of which:</i>		
– <i>non-performing</i>	370	421
a) Central Banks	-	-
b) General governments	-	-
c) Banks	2,295	-
d) Other financial corporations	169,122	42,289
e) Non-financial corporations	252,489	194,414
f) Households	979,479	891,135
Total	1,403,385	1,127,838

3. Assets pledged as collateral for own liabilities and commitments

PORTFOLIOS	31.12.2025				31.12.2024			
	REPURCHASE AGREEMENTS	ECB	CC&G + OTHER	TOTAL	REPURCHASE AGREEMENTS	ECB	CC&G + OTHER	TOTAL
1. Financial assets measured at fair value through profit or loss	-	-	-	-	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	790,816	-	-	790,816	59,083	-	-	59,083
3. Financial assets measured at amortised cost	711,882	366,378	250,521	1,328,780	994,324	453,650	239,864	1,687,838
4. Property and equipment	-	-	-	-	-	-	-	-
<i>of which:</i>								
– <i>assets constituting inventories</i>	-	-	-	-	-	-	-	-
Total	1,502,698	366,378	250,521	2,119,596	1,053,407	453,650	239,864	1,746,921

Financial assets pledged as collateral for own liabilities and commitments refer to repurchase agreement transactions with a repurchase commitment with customers and banks and to collaterals pledged for refinancing transactions with the ECB. This amount also includes financial instruments pledged with Cassa di Compensazione e Garanzia, Eurex, Euroclear and ETD for ordinary operations.

4. Management and trading of financial instruments on behalf of third parties

TYPE OF SERVICE	31.12.2025	31.12.2024
1. Execution of orders on behalf of customers	40,928,075	37,882,361
a) Purchases	24,605,425	23,652,042
1. Settled	24,421,478	23,478,109
2. To be settled	183,947	173,933
b) Sales	16,322,650	14,230,319
1. Settled	16,087,437	14,119,751
2. To be settled	235,213	110,568
2. Individual portfolio management	17,774,998	16,332,464
3. Custody and administration of securities	66,421,672	60,482,956
a) Third-party securities held in deposit: related to services provided as depository bank (excluding portfolio management)	-	-
1. Securities issued by the bank that prepares the financial statements	-	-
2. Other	-	-
b) Third-party securities held in deposit (excluding portfolio management): other	26,783,091	24,615,871
1. Securities issued by the bank that prepares the financial statements	14,868	14,665
2. Other	26,768,223	24,601,206
c) Third-party securities deposited with third parties	26,781,978	24,569,802
d) Own securities deposited with third parties	12,856,603	11,297,283
4. Other transactions	-	-

Securities under custody and administration are recognised at nominal value.

5. Financial assets offset in the financial statements or falling within the scope of master netting arrangements or similar agreements

TECHNICAL TYPE	GROSS AMOUNT OF FINANCIAL ASSETS (A)	AMOUNT OF FINANCIAL LIABILITIES OFFSET IN THE FINANCIAL STATEMENTS (B)	NET AMOUNT OF FINANCIAL ASSETS RECOGNISED IN THE FINANCIAL STATEMENTS (C = A - B)	CORRELATED AMOUNT NOT OFFSET IN THE FINANCIAL STATEMENTS		NET AMOUNT AT 31.12.2025 (F = C - D - E)	NET AMOUNT AT 31.12.2024
				FINANCIAL INSTRUMENTS (D)	CASH DEPOSITS AS COLLATERAL (E)		
1. Derivatives	3,355	-	3,355	3,355	-	-	739
2. Repurchase agreements	514,812	-	514,812	493,416	16,631	4,765	12,853
3. Securities loans	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total at 31.12.2025	518,167	-	518,167	496,771	16,631	4,765	X
Total at 31.12.2024	390,072	-	390,072	366,861	9,619	X	13,592

6. Financial liabilities offset in the financial statements or falling within the scope of master netting arrangements or similar agreements

TECHNICAL TYPE	GROSS AMOUNT OF FINANCIAL LIABILITIES (A)	AMOUNT OF FINANCIAL ASSETS OFFSET IN THE FINANCIAL STATEMENTS (B)	NET AMOUNT OF FINANCIAL LIABILITIES RECOGNISED IN THE FINANCIAL STATEMENTS (C = A - B)	CORRELATED AMOUNT NOT OFFSET IN THE FINANCIAL STATEMENTS		NET AMOUNT AT 31.12.2025 (F = C - D - E)	NET AMOUNT AT 31.12.2024
				FINANCIAL INSTRUMENTS (D)	CASH DEPOSITS AS COLLATERAL (E)		
1. Derivatives	7,358	-	7,358	3,355	4,309	-306	1,303
2. Repurchase agreements	1,522,549	-	1,522,549	1,521,314	510	725	-1,275
3. Securities loans	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total at 31.12.2025	1,529,907	-	1,529,907	1,524,669	4,819	419	X
Total at 31.12.2024	1,174,769	-	1,174,769	1,053,456	121,285	X	28

IFRS 7 requires a detailed disclosure on financial instruments that have been offset in the Balance Sheet pursuant to IAS 32 or financial instruments that can be potentially set off, under certain conditions, but have been recognised in the Balance Sheet without any offsetting as they fall within the scope of master netting arrangements or similar agreements that do not meet all the requirements under IAS 32, paragraph 42.

In this regard, it should be noted that Banca Generali has not entered into any netting arrangements that meet the requirements of IAS 32.42 on offsetting in the financial statements.

With reference to financial instruments that can be potentially set off under certain conditions, it should be noted that, as far as repurchase agreements (REPOs) are concerned, Banca Generali currently participates in the MTS S.p.A. Repo market through a Clearing Agreement with Cassa Compensazione e Garanzia (CC&G) concerning the centralised management of transaction clearing.

With reference to financial instruments that can be potentially set off under certain conditions, Banca Generali entered into bilateral netting arrangements that enable offsetting of credit and debt positions related to financial and credit derivatives in case of default of the counterparty, as well as into transactions such as Securities Financing Transactions (SFTs). In detail, ISDA (International Swaps and Derivatives Association) agreements and GMRA (Global Market Purchase Agreements) are in place.

As regards REPOs with banks, Banca Generali has in place master netting arrangements that enable offsetting of credit and debt positions in case of default of the counterparty and compliant with international standards (Global Master Repurchase Agreement - GMRA). Such transactions are also covered by GMRA-compliant financial guarantee agreements, envisaging the bilateral exchange of collaterals in cash and/or government bonds.

These agreements, in the case of repurchase agreements, mitigate the liquidity risk by offsetting the debt to the counterparty up to the fair value of the collateral.

In the table, repurchase agreements are measured at amortised cost, whereas financial instruments used as collateral are measured at fair value up to the amount of the guaranteed liability.

Banca Generali has entered into International Swap and Derivatives Association (ISDA) master netting arrangements as its main technique for mitigating credit risk and the related impacts on fair value associated with OTC derivatives contracts with institutional counterparties. These arrangements as well envisage the bilateral exchange of cash collateral. These arrangements reduce the capital they absorb, in accordance with the conditions established in supervisory regulations. The ISDA master netting arrangements entered into with the main institutional counterparties to OTC derivatives have been appropriately reported to the Bank of Italy.

Since September 2022, Banca Generali has been subject to initial margin exchange requirements for OTC derivatives as provided for in Commission Delegated Regulation (EU) No. 2016/2251. To fulfil these obligations, the Bank has entered into specific collateral exchange contracts with active institutional counterparties, identifying Euroclear as the main triparty agent responsible for segregation of collateral assets.

PART C – INFORMATION ON THE PROFIT AND LOSS ACCOUNT

Section 1 – Interests - Items 10 and 20

1.1 Breakdown of interest income and similar revenues

ITEMS/TECHNICAL TYPES	DEBT SECURITIES	FINANCING	OTHER TRANSACTIONS	2025	2024
1. Financial assets measured at fair value through profit or loss:	477	-	-	477	175
1.1 HFT financial assets	190	-	-	190	15
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	287	-	-	287	160
2. Financial assets measured at fair value through other comprehensive income	65,377	-	X	65,377	33,192
3. Financial assets measured at amortised cost	250,211	105,547	X	355,758	361,408
3.1 Loans to banks	61,133	30,540	X	91,673	88,932
3.2 Loans to customers	189,078	75,007	X	264,085	272,476
4. Hedging derivatives	X	X	21,982	21,982	85,677
5. Other assets	X	X	2,921	2,921	130
6. Financial liabilities	X	X	X	-	-
Total	316,065	105,547	24,903	446,515	480,582
<i>of which:</i>					
- interest income on impaired financial assets	-	24	-	24	283
- interest income on finance lease	-	-	-	-	-

Item 5 “Other assets” included 2.2 million euro interest for late reimbursement of taxes paid pursuant to Article 44, paragraph 1, of Italian Presidential Decree No. 602/73 and accrued at 31 December 2025 on the IRAP tax receivable recognised in the financial statements in light of the reimbursement of taxes paid on dividends from EU subsidiaries.

1.2 Interest income and similar revenues: other information

1.2.1 Interest income on financial assets in foreign currencies

	2025	2024
Interest income on financial assets in foreign currencies	2,519	2,426
Total	2,519	2,426

1.3 Breakdown of interest expense and similar charges

ITEMS/TECHNICAL TYPES	DEBTS	SECURITIES	OTHER TRANSACTIONS	2025	2024
1. Financial liabilities measured at amortised cost:	121,171	81	-	121,252	165,156
1.1 Due to Central Banks	-	X	X	-	-
1.2 Due to banks	6,890	X	X	6,890	9,500
1.3 Due to customers	114,281	X	X	114,281	155,656
1.4 Securities issued	X	81	X	81	-
2. HFT financial liabilities	-	144	-	144	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and funds	X	X	-	-	-
5. Hedging derivatives	X	X	-685	-685	865
6. Financial assets	X	X	X	1	-
Total	121,171	225	-685	120,712	166,021
<i>of which:</i>					
- interest expense relating to lease debts	3,450	-	-	3,450	3,214

The Item 1.3 “Financial liabilities measured at amortised cost – Due to customers” includes a 3.5 million euro interest accrued on lease payment debts calculated in accordance with the provisions of IFRS 16.

1.4 Interest expense and similar charges: other information

1.4.1 Interest expense on liabilities in foreign currencies

	2025	2024
Interest expense on liabilities in foreign currencies	2,889	2,984
Total	2,889	2,984

1.5 Hedging differentials

ITEMS	2025	2024
A. Hedging gains	93,237	146,777
B. Hedging losses	70,570	61,965
C. Total (A - B)	22,667	84,812

Hedging differentials refer almost entirely to interest-rate swaps (IRSs) and inflation IRSs entered into in relation to fair-value hedging transactions for fixed-rate or inflation-linked debt securities and, to a lesser extent, to macro fair value hedges and cash flow hedges.

In detail, the balance of the fair value hedges amounted to 18,908 thousand euros and is attributable, for 18,930 thousand euros, to the hedging of debt securities classified to the portfolio of financial assets measured at amortised cost (84,321 thousand euros in 2024), with the remainder referring to debt securities classified to the portfolio of financial assets measured at fair value through other comprehensive income.

Section 2 – Fees - Items 40 and 50

2.1 Breakdown of fee income

TYPE OF SERVICE/VALUES	2025	2024
a) Financial instruments	539,757	490,478
1. Placement of securities	329,750	314,215
1.1 With direct underwriting and/or a firm commitment	-	-
1.2 Without a firm commitment	329,750	314,215
2. Receipt and transmission of orders and execution of orders on customers' behalf	58,514	53,780
2.1 Receipt and transmission of orders for one or more financial instruments	5,580	8,387
2.2 Execution of orders on customers' behalf	52,934	45,393
3. Other fees related to activities linked to financial instruments	151,493	122,483
of which:		
– trading for own account	-	-
– individual portfolio management	141,974	122,483
b) Corporate finance	-	-
1. Consultancy on mergers and acquisitions	-	-
2. Treasury services	-	-
3. Other fees related to corporate finance services	-	-
c) Investment advisory	62,644	67,016
d) Offsetting and settlement services	-	-
e) Custody and administration services	557	421
1. Depository bank	-	-
2. Other fees related to custody and administration services	557	421
f) Centralised administration services for collective portfolio management	-	-
g) Trust services	-	-
h) Payment services	7,119	9,279
1. Current accounts	3,643	5,264
2. Credit cards	-	-
3. Debit cards and other payment cards	148	197
4. Bank transfers and other payment services	1,227	1,483
5. Other fees linked to payment services	2,101	2,335
i) Distribution of third-party services	252,671	245,293
1. Collective portfolio management	2,137	1,677
2. Insurance products	249,167	241,285
3. Other products	1,367	2,331
of which:		
– individual portfolio management	27	38
– BG Saxo services	900	1,853
j) Structured finance	-	-
k) Servicing related to securitisations	-	-
l) Commitments to disburse funds	-	-
m) Financial guarantees issued	846	778
of which:		
– credit derivatives	-	-
n) Financing transactions	-	-
of which:		
– factoring-related services	-	-
o) Currency trading	-	-
p) Goods	-	-
q) Other fee income	4,312	3,902
of which:		
– management of multilateral trading facilities	-	-
– management of organised trading facilities	-	-
Total	867,906	817,167

Table 2.1 relating to the breakdown of fee income includes revenues arising from financial services falling within the scope of IFRS 15, broken down by type of service rendered. With reference to the provisions of IFRS 15, paragraph 113, fee income may be further divided into the following four categories:

(€ THOUSAND)	2025	2024
Underwriting fees	49,513	46,920
Management fees	683,102	632,666
Performance fees	400	551
Other fees for banking and financial services	134,891	137,030
Total fee income	867,906	817,167

Underwriting, management and performance fees refer, in particular, to individual (discretionary) and collective (Sicavs promoted by the Banking Group) portfolio management, placement of securities and distribution of third-party services.

Fees for BG Saxo services refer to the offering to the Bank's customers of the trading and order collection services rendered by BG Saxo SIM S.p.A. They were classified under banking products.

	UNDERWRITING FEES	MANAGEMENT FEES	PERFORMANCE FEES	OTHER	2025	2024
Individual portfolio management	-3,573	145,147	400	-	141,974	122,483
Placement of the Group's UCITS	7,442	144,718	-	-	152,160	141,619
Placement of UCITS	5,575	134,380	-	-	139,955	140,436
Placement of securities and certificates	37,636	-	-	-	37,636	32,161
Distribution of third-party services	2,433	249,338	-	-	251,771	243,438
Other services and banking products	-	9,519	-	134,891	144,410	137,030
Total fee income	49,513	683,102	400	134,891	867,906	817,167

Underwriting fees refer to the support provided by the Bank's Financial Advisor Network to customers for the purchase of financial products and services and their useful lives end when the products and services concerned are subscribed. In particular, the item includes the distribution and private placement of certificates.

Variable performance fees refer to the individual portfolio management of Banca Generali and to advisory services.

Management fees refer to:

- › discretionary management of financial assets on behalf of customers according to the conditions specified in individual mandates, accruing on a quarterly basis;
- › collective management of the assets of the Sicavs managed by the Banking Group's management company (Lux IM Sicav, BG Selection Sicav and BG Alternative Sicav) on the basis of the conditions established for each sub-fund in the relevant prospectuses, accruing on a monthly basis;
- › the ongoing customer support activity carried out by the Financial Advisor Network with regard to the placement of units of third-party UCITS and the distribution of insurance products.

Fees for other services include revenues on traditional banking services (custody and trading of financial instruments, collection and payment services, current account keeping and management services, etc.) and advisory fees, mostly consisting of recurring fees.

Fee income consists solely of short-term items, normally collected on a monthly or quarterly basis and therefore do not include a component of a financial nature relating to the passage of time.

In reference to IFRS 15, paragraph 116 b), fee income on the placement of securities includes revenues of 41 thousand euros on the recycling to the profit and loss account for the year of liabilities included in the opening balance attributable to contracts (deferred income).

2.2 Fee income: distribution channels of products and services

CHANNELS/VALUES	2025	2024
a) Group branches	5,280	3,371
1. Portfolio management	-	-
2. Placement of securities	5,280	3,371
3. Third-party products and services	-	-
b) Off-premises offer	719,115	678,620
1. Portfolio management	141,974	122,483
2. Placement of securities	324,470	310,844
3. Third-party products and services	252,671	245,293
c) Other distribution channels	-	-
1. Portfolio management	-	-
2. Placement of securities	-	-
3. Third-party products and services	-	-
Total	724,395	681,991

2.3 Breakdown of fee expense

TYPE OF SERVICE/VALUES	2025	2024
a) Financial instruments	6,745	7,041
of which:		
- trading of financial instruments	6,207	6,348
- placement of financial instruments	-	-
- individual portfolio management	538	693
Own portfolio	538	693
Third-party portfolio	-	-
b) Offsetting and settlement services	-	-
c) Custody and administration services	4,848	4,620
d) Collection and payment services	2,589	3,128
of which:		
- credit cards, debit cards and other payment cards	128	497
e) Servicing related to securitisations	-	-
f) Commitments to receive funds	-	-
g) Financial guarantees received	-	-
of which:		
- credit derivatives	-	-
h) Off-premises offer of financial instruments, products and services	513,500	483,889
i) Currency trading	-	-
j) Other fee expense	10,647	10,151
Total	538,329	508,829

Fee expense for off-premises offer includes the costs incurred to obtain or fulfil contracts with customers of 100,334 thousand euros, of which 79,843 thousand euros relating to previous years.

Section 3 – Dividends and similar income - Item 70

3.1 Breakdown of dividends and similar income

ITEMS/INCOME	2025		2024	
	DIVIDENDS	SIMILAR INCOME	DIVIDENDS	SIMILAR INCOME
A. HFT financial assets	-	-	-	-
B. Other financial assets mandatorily measured at fair value	88	-	79	-
C. Financial assets measured at fair value through other comprehensive income	1,270	-	1,230	-
D. Equity investments	249,550	-	256,460	-
Total	250,908	-	257,769	-

Section 4 – Net income (loss) from trading activities - Item 80

4.1 Breakdown of net income (loss) from trading activities

TRANSACTIONS/INCOME COMPONENTS	CAPITAL GAINS	INCOME FROM TRADING	CAPITAL LOSSES	LOSSES FROM TRADING	NET RESULT 2025
1. HFT financial assets	3	268	222	420	-371
1.1 Debt securities	-	54	222	111	-279
1.2 Equity securities	3	178	-	273	-92
1.3 UCITS units	-	36	-	36	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. HFT financial liabilities	198	35	11	8	214
2.1 Debt securities	-	-	-	-	-
2.2 Debts	198	35	11	8	214
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	X	X	X	X	8,581
4. Derivatives	1	-	-	-	1
4.1 Financial	1	-	-	-	1
– on debt securities and interest rates	-	-	-	-	-
– interest rate swaps	-	-	-	-	-
– government bond forwards	-	-	-	-	-
– on equity securities and stock indexes	1	-	-	-	1
– options	-	-	-	-	-
– futures	1	-	-	-	1
– on currency and gold ⁽¹⁾	X	X	X	X	-
– other	-	-	-	-	-
4.2 Credit	-	-	-	-	-
of which:					
– natural hedging related to the fair value option	X	X	X	X	-
Total	202	303	233	428	8,425

(1) It includes currency options and currency outright.

Section 5 – Net income (loss) from hedging - Item 90

5.1 Breakdown of net income (loss) from hedging

INCOME COMPONENTS/VALUES	2025	2024
A. Income from:		
A.1 Fair value hedge derivatives	96,525	20,296
A.2 Hedged financial assets (fair value)	15,003	58,743
A.3 Hedged financial liabilities (fair value)	5,335	-
A.4 Cash flow hedge derivatives	17	58
A.5 Assets and liabilities denominated in foreign currencies	-	-
Total income from hedging (A)	116,880	79,097
B. Charges from:		
B.1 Fair value hedge derivatives	20,347	59,185
B.2 Hedged financial assets (fair value)	95,987	17,956
B.3 Hedged financial liabilities (fair value)	539	2,142
B.4 Cash flow hedge derivatives	59	6
B.5 Assets and liabilities denominated in foreign currencies	-	-
Total charges from hedging (B)	116,932	79,289
C. Net income (loss) from hedging (A – B)	-52	-192
of which:		
– result of hedging of net positions		

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

6.1 Breakdown of gains (losses) on disposal/repurchase

ITEMS/INCOME COMPONENTS	2025			2024		
	GAINS	LOSSES	NET RESULT	GAINS	LOSSES	NET RESULT
A. Financial assets						
1. Financial assets measured at amortised cost	24,553	16,604	7,949	17,405	8,441	8,964
1.1 Loans to banks	3,166	2,565	601	2,846	148	2,698
1.2 Loans to customers	21,387	14,039	7,348	14,559	8,293	6,266
2. Financial assets measured at fair value through other comprehensive income	4,459	1,935	2,524	4,932	4,086	846
2.1 Debt securities	4,459	1,935	2,524	4,932	4,086	846
2.2 Loans	-	-	-	-	-	-
Total assets	29,012	18,539	10,473	22,337	12,527	9,810
B. Financial liabilities measured at amortised cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-

Equity reserves transferred back to the profit and loss account due to the disposal of pre-existing equity reserves of the HTCS portfolio are illustrated in the following table.

	POSITIVE	NEGATIVE	NET
Debt securities	2,237	-757	1,480
Total	2,237	-757	1,480

Section 7 – Net gains (losses) of other financial assets and liabilities measured at fair value through profit and loss - Item 110

7.2 Net change of other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

TRANSACTIONS/INCOME COMPONENTS	CAPITAL GAINS	GAINS ON DISPOSAL	CAPITAL LOSSES	LOSSES ON DISPOSAL	NET RESULT
1. Financial assets	951	103	6,580	98	-5,624
1.1 Debt securities	-	97	-	-	97
1.2 Equity securities	524	-	-	98	426
1.3 UCITS units	-	-	6,576	-	-6,576
1.4 Loans	427	6	4	-	429
2. Financial assets in foreign currencies: exchange differences	X	X	X	X	-162
Total	951	103	6,580	98	-5,786

Section 8 – Net adjustments/reversals for credit risk - Item 130

8.1 Breakdown of net adjustments for credit risk relating to financial assets measured at amortised cost

TRANSACTIONS/INCOME COMPONENTS	ADJUSTMENTS						REVERSALS				2025	2024
	STAGE 1	STAGE 2	STAGE 3		PURCHASED OR ORIGINATED CREDIT-IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED		
			WRITE-OFFS	OTHER	WRITE-OFFS	OTHER						
A. Loans to banks	205	-	-	-	-	-	71	20	-	-	-114	215
Loans	-	-	-	-	-	-	71	20	-	-	91	-17
Debt securities	205	-	-	-	-	-	-	-	-	-	-205	232
B. Loans to customers	118	-	98	4,258	16,027	-	210	34	1,321	-	-18,936	1,815
Loans	118	-	98	4,258	16,027	-	-	34	1,321	-	-19,146	1,888
Debt securities	-	-	-	-	-	-	210	-	-	-	210	-73
Total	323	-	98	4,258	16,027	-	281	54	1,321	-	-19,050	2,030

Adjustments to loans to customers classified under “Stage 3” amounted to 4,258 thousand euros and included 704 thousand euros for bad loans, 2,782 thousand euros for positions past-due by more than 90 days, 524 thousand euros for unlikely-to-pay positions, and, for the remainder, other operating loans and loans to the Financial Advisor Network.

These write-downs were partially offset through reversals relating to positions past-due at the end of the previous year (815 thousand euros) and reclassified out of the non-performing category, to bad loans (131 thousand euros) and to unlikely-to-pay exposures (368 thousand euros).

Write-offs of purchased credit-impaired assets referred to the write-off of the Bank’s rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, as well as amounts receivable as a result of the transfer by customers to the Bank of usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024 (4.8 million euros).

8.1a Breakdown of net adjustments for credit risk relating to loans measured at amortised cost subject to Covid-19 support measures

TRANSACTIONS/ INCOME COMPONENTS	NET ADJUSTMENTS						2025	2024
	STAGE 1	STAGE 2	STAGE 3		PURCHASED OR ORIGINATED CREDIT-IMPAIRED			
			WRITE-OFFS	OTHER	WRITE-OFFS	OTHER		
4. Loans	-6	-	-	-162	-	-	-168	-565
Total at 31.12.2025	-6	-	-	-162	-	-	-168	X
Total at 31.12.2024	6	-	-	-571	-	-	X	-565

8.2 Breakdown of net adjustments for credit risk relating to financial assets measured at fair value through other comprehensive income

TRANSACTIONS/ INCOME COMPONENTS	ADJUSTMENTS						REVERSALS				2025	2024
	STAGE 1	STAGE 2	STAGE 3		PURCHASED OR ORIGINATED CREDIT-IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PUR- CHASED OR ORIGI- NATED CREDIT- IMPAIRED		
			WRITE- OFFS	OTHER	WRITE- OFFS	OTHER						
A. Debt securities	233	-	-	-	-	-	-	-	-	-	-233	-193
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- to customers	-	-	-	-	-	-	-	-	-	-	-	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	233	-	-	-	-	-	-	-	-	-	-233	-193

Section 10 – General and administrative expenses - Item 160

Breakdown of general and administrative expenses

	2025	2024
160 a) Staff expenses	119,622	114,807
160 b) Other general and administrative expenses	267,569	251,033
Total	387,191	365,840

10.1 Breakdown of staff expenses

TYPE OF EXPENSES/VALUES	2025	2024
1) Employees	118,660	114,073
a) wages and salaries	63,344	60,544
b) social security charges	16,890	16,008
c) termination indemnity	858	866
d) retirement benefit plans	-	-
e) provision for termination indemnity	93	120
f) provision for pensions and similar obligations:	-	-
– defined contribution	-	-
– defined benefit	-	-
g) amounts paid to supplementary external pension funds:	7,407	6,693
– defined contribution	7,407	6,693
– defined benefit	-	-
h) costs related to payment agreements based on own equity instruments	4,675	5,339
i) other employee benefits	25,393	24,503
2) Other staff	531	351
3) Directors and Auditors	1,915	1,678
4) Retired personnel	177	139
5) Recovery of expenses for employees seconded to other companies	-1,672	-1,434
6) Repayments of expenses for third-party employees seconded to the Company	11	-
Total	119,622	114,807

10.2 Average number of employees by category (*)

	2025	2024
Employees	1,024	967
a) Managers	63	65
b) Middle managers	376	349
c) Employees at other levels	585	553
Other personnel	-8	-8
Total	1,016	959

(*) Quarterly weighted average, with part-time employees considered at 50% by convention.

Breakdown of personnel

	2025	2024
Employees	1,066	1,015
a) Managers	61	65
b) Middle managers	383	364
<i>of which:</i>		
– 3 rd and 4 th level	169	165
– 1 st and 2 nd level	214	199
c) Employees at other levels	622	586
Other personnel	-8	-7
Contract and temporary workers	2	3
Staff seconded from other companies	1	-
Staff seconded to other companies	-11	-10
Total	1,058	1,008

10.4 Other employee benefits

	2025	2024
Short-term productivity bonuses	16,034	15,001
Long-term benefits	1,372	1,053
Charges for Relationship Manager recruitment plans	206	282
Charges for deferred variable remuneration (managers' MBO)	1,166	763
Charges for post-employment medical care plans	-	8
Other benefits	7,987	8,449
Charges for staff supplementary pensions	4,919	4,781
Amounts replacing cafeteria indemnities	1,224	1,089
Training expenses	1,537	1,146
Contributions to employees	254	228
Transfer incentives and other indemnities	34	1,184
Other expenses	19	21
Total	25,393	24,503

Short-term productivity bonuses include the portion of non-deferred variable remuneration payable in cash (MBO) for office and sales managers and portfolio managers, the performance bonus envisaged in company supplementary contracts and allocations in service of the plan for 2025 measures.

10.5 Breakdown of other general and administrative expenses

	2025	2024
Administration	28,161	23,000
Advertising	3,266	2,889
Audit fees	17,102	13,110
Auditing firms	680	611
Insurance	5,112	4,507
Entertainment expenses	533	458
Membership contributions	1,325	1,214
Charity	143	211
Operations	32,371	30,541
Rent and usage of premises and management of property	5,856	5,408
Outsourced administrative services	8,442	8,064
Post and telephone	2,718	2,591
Print material	1,029	1,190
Other expenses for sales network management	6,520	5,913
Other expenses and purchases	5,608	5,182
Other indirect staff expenses	2,198	2,193
Information system and equipment	72,293	63,979
Expenses related to outsourced IT services	46,472	41,108
Fees for IT services and databases	12,957	11,712
Software maintenance and servicing	11,159	9,691
Fees for equipment hired and software used	375	380
Other maintenance	1,330	1,088
Indirect taxation	131,506	120,921
Stamp duty on financial instruments	130,608	120,021
Substitute tax on medium/long-term financing	288	235
Other indirect taxes to be paid by the Bank	610	665
Contributions and charges related to the banking and insurance system	3,238	12,592
Total	267,569	251,033

The administrative expenses aggregate includes the costs of short-term leases (less than 12 months), consisting primarily of lease payments for parking spaces and low-value leases (less than 5 thousand euros), consisting of lease payments for photocopiers and faxes, for which the Bank has availed itself of the option not to apply the accounting treatment provided for in IFRS 16, as detailed below.

There are no costs for variable payments other than those included in the measurement of lease liabilities.

	2025	2024
Lease costs < 5,000 euros	375	380
Lease costs < 12 months	276	103

The aggregate also includes other costs arising from lease transactions, but attributable to contractual components other than lease payments and not relevant to the valuation of lease liabilities, such as fees for additional services and non-deductible VAT, which amounted to 4,404 thousand euros.

Section 11 – Net provisions for liabilities and contingencies - Item 170

11.1 Breakdown of net provisions for credit risk relating to commitments to disburse funds and financial guarantees issued

	2025			2024		
	PROVISIONS	SURPLUS	NET	PROVISIONS	SURPLUS	NET
Provisions for commitments and financial guarantees issued	43,306	-24	43,282	11,739	-134	11,605
Total	43,306	-24	43,282	11,739	-134	11,605

11.3 Breakdown of net provisions to other provisions for liabilities and contingencies

	2025			2024		
	PROVISIONS	SURPLUS	NET	PROVISIONS	SURPLUS	NET
Provisions for staff expenses	3,565	-12	3,553	12,306	-1,102	11,204
Provision for restructuring plan	-	-	-	8,800	-	8,800
Provision for staff expenses – Other ⁽¹⁾	3,565	-12	3,553	3,506	-1,102	2,404
Provisions for legal disputes	8,594	-1,864	6,730	7,432	-1,321	6,111
Provision for risks related to legal disputes connected with Financial Advisor Network's embezzlements	1,017	-182	835	2,588	-655	1,933
Provision for risks related to legal disputes with the Financial Advisor Network	297	-262	35	167	-119	48
Provision for risks related to legal disputes with employees	100	-	100	-	-	-
Provision for litigation – other parties	7,180	-1,420	5,760	4,677	-547	4,130
Provisions for Financial Advisors' contractual indemnities	22,897	-3,302	19,595	33,688	-2,671	31,017
Provision for risks related to termination indemnity of the Financial Advisor Network	8,881	-2,149	6,732	20,228	-2,121	18,107
Provision for management incentive indemnity	4,434	-129	4,305	2,640	-173	2,467
Provision for portfolio overfee indemnities	-	-891	-891	1,117	-163	954
Provision for pension bonuses	512	-133	379	797	-214	583
Provision for Framework Loyalty Programme	387	-	387	224	-	224
Provision for three-year incentive fees	8,683	-	8,683	8,682	-	8,682
Provisions for Financial Advisor Network incentives	20,241	-975	19,266	17,642	-1,927	15,715
Provision for Financial Advisor Network development plans	13,900	-975	12,925	11,908	-1,552	10,356
Provision for deferred bonus	9	-	9	5	-	5
Provision for incentive travels	6,000	-	6,000	5,300	-373	4,927
Provision for fee plans	332	-	332	429	-2	427
Provision for tax and contributions disputes	523	-	523	35	-	35
Other provisions for liabilities and contingencies	6,114	-350	5,764	45,857	-	45,857
Total	61,934	-6,503	55,431	116,960	-7,021	109,939

(1) Provisions for staff expenses do not include the items that are classified as "Staff expenses – Other benefits" in accordance with IAS 19.

Section 12 – Net adjustments/reversals of property and equipment – Item 180

12.1 Breakdown of net adjustments of property and equipment

ASSETS/INCOME COMPONENTS	DEPRECIATION (A)	ADJUSTMENTS FOR IMPAIRMENT (B)	REVERSALS (C)	NET RESULT 2025 (A + B - C)
A. Property and equipment	22,971	-	-	22,971
1. Operating:	22,971	-	-	22,971
– owned	1,598	-	-	1,598
– rights of use acquired through leases	21,373	-	-	21,373
2. Held as investments	-	-	-	-
– owned	-	-	-	-
– rights of use acquired through leases	-	-	-	-
3. Inventories	X	-	-	-
Total	22,971	-	-	22,971

Section 13 – Net adjustments/reversals of intangible assets - Item 190

13.1 Breakdown of net adjustments of intangible assets

ASSETS/INCOME COMPONENTS	AMORTISATION (A)	ADJUSTMENTS FOR IMPAIRMENT (B)	REVERSALS (C)	NET RESULT 2025 (A + B - C)
A. Intangible assets	18,989	-	-	18,989
of which:				
– software	17,280	-	-	17,280
A.1 Owned	18,989	-	-	18,989
– Generated in-house	-	-	-	-
– Other	18,989	-	-	18,989
A.2 Rights of use acquired through leases	-	-	-	-
Total	18,989	-	-	18,989

Breakdown of adjustments of intangible fixed assets - amortisation

	2025
Charges associated with the implementation of legacy CSE procedures	17,280
Customer relationships	1,709
Total	18,989

Section 14 – Other operating income and expenses - Item 200

14.1 Breakdown of other operating expenses

	2025	2024
Adjustments of leasehold improvements	3,511	3,197
Write-downs of other assets	-	162
Indemnities and compensation for litigation and claims	732	492
Charges from accounting adjustments with customers	3,207	1,978
Costs associated with tax disputes, penalties and fines	14	52
Other contingent liabilities and non-existent assets	2,723	1,648
Total	10,187	7,529

14.2 Breakdown of other operating income

	2025	2024
Recovery of taxes from customers	129,527	118,905
Recovery of expenses from customers	496	502
Fees for outsourced services	387	432
Charge-back of portfolio overfee indemnity to incoming Financial Advisors	5,106	5,348
Indemnities for Financial Advisors' termination without notice	2,015	1,212
Other recoveries of fees and costs from Financial Advisors	6,369	4,725
Contingent assets related to staff expenses	175	515
Contributions to provision for employment in the banking sector (FOC) and the fund for staff training (FBA)	389	492
Other contingent assets and non-existent liabilities	3,191	6,555
Insurance compensation and indemnities	78	716
Tax credits (sanitisation and PPE, investments in new capital goods 4.0)	764	32
Other income	182	1,811
Total	148,679	141,245
Total other net income	138,492	133,716

Section 15 – Gains (losses) from equity investments - Item 220

15.1 Breakdown of gains (losses) from equity investments

INCOME COMPONENT/VALUES	2025	2024
A. Gains	-	-
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Reversals	-	-
4. Other gains	-	-
B. Charges	3,017	171
1. Write-downs	3,017	130
2. Adjustments to non-performing loans	-	-
3. Losses on disposal	-	41
4. Other charges	-	-
Net result	-3,017	-171

Write-downs referred for 3,017 thousand euros to BG Saxo SIM S.p.A., recognised following the measurement of the equity investment at its expected realisable value, which corresponds to the consideration agreed upon for its disposal.

Section 18 – Gains (losses) on disposal of investments - Item 250

18.1 Breakdown of gains (losses) on disposal of investments

INCOME COMPONENT/VALUES	2025	2024
A. Buildings	-	-
– Gains on disposal	-	-
– Losses on disposal	-	-
B. Other assets	-10	-
– Gains on disposal	-	-
– Losses on disposal	-10	-
Net result	-10	-

Section 19 – Income taxes for the year from operating activities - Item 270

19.1 Breakdown of income taxes for the year from operating activities

INCOME COMPONENTS/VALUES	2025	2024
1. Current taxation (-)	-91,829	-111,734
2. Change in prior years' current taxes (+/-)	40,217	1,230
3. Reduction of current taxes for the year (+)	-	-
3.bis Reduction of current taxes for the year arising on tax credits, pursuant to Law No. 214/2011 (+)	-	-
4. Changes of prepaid taxation (+/-)	-598	15,057
5. Changes of deferred taxation (+/-)	95	-1,918
6. Taxes for the year (-)	-52,115	-97,365

19.2 Reconciliation between theoretical and actual tax expense

The following table reconciles the total amount of taxes due for 2025, including both current and deferred taxes, as indicated in Item 270 of the Profit and Loss Account, and the theoretical corporate income tax IRES calculated by applying the 27.5% current applicable tax rate to profit before taxation.

It should be noted that the effects of the reduction of the IRES tax rate from 27.50% to 24% introduced by the 2016 Stability Law with effect from 1 January 2017 for tax periods after that in progress at 31 December 2016 were neutralised for the Bank as a result of the introduction by that same Law of a surtax of 3.5 percentage points on credit and financial institutions in respect of the same tax periods.

The reconciliation statement is therefore expressed based on higher or lower current and deferred taxes debited or credited to the Profit and Loss Account compared to the theoretical taxation.

	2025	2024
Current taxation	-91,828	-111,734
IRES	-75,583	-87,092
IRAP	-16,245	-24,642
Prepaid and deferred taxation	-503	13,139
IRES	-1,940	11,634
IRAP	1,437	1,505
Prior years' taxes	40,216	1,230
Prior years' income taxes	40,216	1,230
– of which: IRAP reimbursement related to EU dividends	37,584	-
Income taxes	-52,115	-97,365
Theoretical tax rate	27.5%	27.5%
Profit (loss) before taxation	507,666	510,487
Theoretical taxation	-139,608	-140,384
Non-taxable income (+)		
Dividends	65,550	67,342
Capital gains on equity securities and equity investments	144	172
Other decreases (tax credits, PEX revaluation)	295	1,068
Non-deductible costs (-)		
Capital losses on equity securities and equity investments	-829	-336
Other non-deductible costs	-3,102	-2,798
Other taxes (+/-)		
IRAP	-14,808	-23,137
Prior years' taxes	40,216	1,230
– of which: IRAP reimbursement related to EU dividends	37,584	-
Change in deferred taxes without offsetting entry	27	-522
Actual tax expense	-52,115	-97,365
Total actual tax rate	10.3%	19.1%
Actual tax rate (IRES only)	15.3%	14.8%
Actual tax rate (IRAP only)	2.9%	4.5%

As regards the extraordinary reimbursement of prior years' taxes, reference should be made to Part B, Section 10 – Current and deferred tax assets and liabilities of these Notes and Comments.

Total receivables from Tax Authorities amounted to **37,584 thousand euros** at 31 December 2025, to which **2,171 thousand euro** interest receivable was added for late reimbursement, recognised through profit or loss under item 10 "Interest income and similar revenues" and subject to an IRES/IRAP taxation of **706 thousand euros**.

The net impact recognised in the Profit and Loss Account was thus **39,049 thousand euros**.

Net of the aforementioned effect of the reimbursement of extraordinary taxes paid on dividends from EU subsidiaries, the Bank's total tax rate was 17.6%, down compared to 2024 (19.1%), due to the lower IRAP paid following the introduction of the new regulatory framework on the deductibility of dividends from EU subsidiaries.

In particular, the provision introduced by the 2026 Italian Budget Law that reduced the portion of dividends received from EU subsidiaries taxable for IRAP purposes led to a **5.6 million euro** decline in the IRAP charge recognised in the year.

This effect was however partially offset by the decline in dividends received on equity investments excluded from taxation, which resulted in a lower benefit for approximately 1.8 million euros.

Section 22 – Earnings per share

22.1 Average number of ordinary shares with diluted capital

	2025	2024
Net profit for the year (€ thousand)	455,551	413,122
Earnings attributable to ordinary shares (€ thousand)	455,551	413,122
Average number of outstanding shares (thousand)	114,064	114,008
EPS – Earnings per share (euros)	3.99	3.62
Average number of outstanding shares with diluted capital (thousand)	114,064	114,008
EPS – Diluted earnings per share (euros)	3.99	3.62

PART D – STATEMENT OF COMPREHENSIVE INCOME

Analytical Statement of Comprehensive Income

ITEMS	2025	2024
10. Net profit (loss) for the year	455,551	413,122
Other income, without transfer to Profit and Loss Account	-3,214	-128
20. Equity securities designated at fair value through other comprehensive income:	-3,355	-109
a) fair value changes	-3,355	-109
b) transfers to other net equity components	-	-
30. Financial liabilities designated at fair value through profit or loss (change in own creditworthiness):	-	-
a) fair value changes	-	-
b) transfers to other net equity components	-	-
40. Equity security hedges designated at fair value through other comprehensive income:	-	-
a) fair value changes (hedged instrument)	-	-
b) fair value changes (hedging instrument)	-	-
50. Property and equipment	-	-
60. Intangible assets	-	-
70. Defined benefit plans	-85	-36
80. Non-current assets held for sale and disposal groups	-	-
90. Share of valuation reserves of equity investments valued at equity	-	-
100. Income taxes on other income, without transfer to Profit and Loss Account	226	17
Other income, with transfer to Profit and Loss Account	-5,423	10,360
110. Hedges of a net investment in a foreign operation:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
120. Exchange differences:	-	-
a) value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
130. Cash flow hedges:	-3,572	6,931
a) fair value changes	-3,572	6,931
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
of which:		
– result of net positions	-	-
140. Hedging instruments (non-designated items):	-	-
a) value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-

ITEMS	2025	2024
150. Financial assets (other than equity securities) measured at fair value through other comprehensive income:	-4,420	8,338
a) fair value changes	-3,016	4,374
b) transfer to Profit and Loss Account	-1,404	3,964
– adjustments for credit risk	76	54
– gains (losses) on disposal	-1,481	3,910
c) other changes	-	-
160. Non-current assets held for sale and disposal groups:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
c) other changes	-	-
170. Share of valuation reserves of equity investments valued at equity:	-	-
a) fair value changes	-	-
b) transfer to Profit and Loss Account	-	-
– adjustments to non-performing loans	-	-
– gains (losses) on disposal	-	-
c) other changes	-	-
180. Income taxes on other income, with transfer to Profit and Loss Account	2,570	-4,909
190. Total other income components	-8,637	10,232
200. Comprehensive income (Item 10 + 190)	446,914	423,354

PART E – INFORMATION ON RISKS AND RISK HEDGING POLICIES

Foreword

The development of a genuine risk culture within Banca Generali is based upon an understanding of the risks that the Bank assumes and how they are managed, while always taking full account of the risk tolerance threshold defined in the Bank's Risk Appetite Framework (RAF).

In this context, the internal control system plays a key role in the risk management process, as well as in the Bank's corporate governance generally.

The internal control system is a set of organisational rules, procedures and structures aimed at ensuring compliance with company strategies, while also seeking to achieve:

- › the efficiency and effectiveness of work processes;
- › the maintenance of asset value and protection against losses;
- › the reliability and integrity of accounting and operating information;
- › operational compliance with the law and supervisory regulations;
- › policies, plans, regulations and internal procedures; and
- › the dissemination of a culture of control involving training initiatives for the various levels.

Banca Generali has designed an internal control model consistent with best practices at the national and international levels and structured on three different organisational levels:

- › first-line controls: they are performed by production or back-office company areas and organisational units, with the support of information technology procedures, where envisaged, and take the form of hierarchical or line checks;
- › second-line controls: they aim at preventing and mitigating risks of different nature through prior risk assessment of products and business practices, and the development of ex-ante support to operating activities. The aforementioned checks are performed by the following functions:
 - Chief Risk Office: it is tasked with identifying, measuring/evaluating and monitoring all types of risks to which the Banking Group is exposed in terms of its own assets (excluding the risks of non-compliance, money laundering and financing of terrorism), providing relevant information and thereby contributing to the definition and implementation of the Risk Appetite Framework, as well as all related risk management policies. The function acts with a view to maintaining risk levels within the limits and tolerance thresholds indicated in the risk profile and strategies established by the Board of Directors in the Risk Appetite Framework. It assures that risks are fully and transversally analysed, and to this end it applies a strategic, consistent and prospective approach and duly provides periodic reports;
 - Chief Compliance Office: it is tasked with verifying the observance of obligations relating to the provision of services for the Banking Group companies and with preventing and managing the risk of non-compliance with applicable legislation;
 - Chief Anti-Financial Crime Office: it is responsible, within the Banking Group, for preventing and combating transactions involving money laundering and financing of terrorism;
- › third-line controls: they are conducted by the Chief Audit Office and are aimed at an independent verification of the operating efficacy and quality of control systems and the verification of any conduct departing from the established rules.

The proper functioning of the risk governance system adopted by Banca Generali is ensured by consistency from the standpoint of organisational structure, competencies and a guarantee of the independence of functions.

Within the internal control system, it is possible to identify the second line as the home to an internal risk management culture that then effectively translates into company behaviour and choices.

The following entities operate within the Internal Control System, in addition to the tasks assigned to the Board of Directors, the Control Body and the independent auditors (which are responsible for accounting control):

- › the Internal Audit and Risk Committee, which was set up pursuant to the Corporate Governance Code for Listed Companies and supervisory provisions, and is tasked with performing a supporting role, with investigative, propositional and advisory duties in relation to the Board of Directors and the Board of Statutory Auditors, in particular on matters of internal control and risk management, related parties and connected parties, statutory auditing and equity investments. The tasks and functions of the Committee, as well as the frequency of its meetings and the operating procedures to be followed to ensure that its duties are efficiently and effectively performed, shall be regulated pursuant to specific Internal Audit and Risk Committee Rules;
- › the Risk Committee, which is charged with ensuring coordinated coverage of the system for managing and controlling the risks assumed by the Group in compliance with the Risk Appetite Framework; it is vested with specific responsibility for monitoring the Group's risks, such as the management of risk mitigation measures, as well as decision-making powers for identifying and implementing said measures;
- › the Supervisory Board, which is the corporate body in charge of updating the Organisational and Management Model and monitoring the implementation of and compliance with the said Model;
- › the Law 262 Organisational Unit, which acts as a point of reference, orienting and coordinating the management of all the Banking Group's administrative and accounting risks, for the intents and purposes of Italian Law No. 262/2005.

Section 1 – Credit risk

Qualitative Information

1. General aspects

Credit risk refers to the possibility that a counterparty will become insolvent or a borrower will be unable to meet its obligations or unable to meet them on time. More specifically, credit risk is the possibility that an unexpected change in the creditworthiness of a counterparty, to which an exposure exists, may generate a corresponding unexpected change in the market value of the associated exposure.

As part of its credit risk management process, the Group has established a formal Credit Risk Management Policy and Financial Portfolio Risk Management Policy, which lay down the general principles and the roles of corporate bodies and functions involved in managing risks associated with loans granted to customers and institutional counterparties and deriving from investment in financial instruments. The Policies also include the Group's credit risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

In accordance with Banca Generali Group's business model, this type of risk chiefly arises from liquidity invested in money markets (interbank deposits), financial instruments (mainly government bonds) held in portfolios measured at amortised cost or in FVOCI and loans to customers (uncommitted and/or fixed-term credit). With regard to the latter, in line with the provisions of the Risk Appetite Framework and in accordance with the Business Model and the lending policies adopted, credit activity is an ancillary means of achieving the priority objectives in the private banking sector. In this context, the Bank prefers a customer target with a strong capital position, mainly focused on natural persons. In fact, there is a clear prevalence of exposures to the retail segment (made up primarily of private customers and customers subject to special agreements), compared to the corporate segment.

With regard to the composition of Banca Generali's portfolio, the portion classified as HTC consists primarily of debt security exposures towards governments and, to a lesser extent, lines of uncommitted and/or fixed-term credit to retail and corporate customers.

In addition, the HTC component also includes a marginal portfolio of exposures to customers classified as purchased or originated credit-impaired (POCI) financial assets, which do not fall within the Bank's core lending activity.

These mainly refer to the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues and, to a lower extent, amounts receivable as a result of the transfer by customers to the Bank of usufruct rights on coupons accruing on the above-mentioned products, described in section "3.3 Purchased or originated credit-impaired financial assets" below.

These exposures to customers refer to a business model that provides for holding such positions until their full repayment by the debtor and qualify as POCI as the illiquid products pledged as collateral were non-performing at the date the receivable was purchased.

Given their specific nature, these non-performing exposures are not supported by traditional collateral and the measurement of their expected credit losses is more complex. Therefore, they are subject to a specific write-off procedure.

With regard to institutional borrowers, credit risk management is based on the allocation of appropriate credit lines, which are monitored by the Chief Risk Office and established with the objective of maintaining a portfolio's risk profile that is consistent with the strategies and risk appetite approved by the Board of Directors.

Operating limits on the amounts of credit lines granted to institutional counterparties are governed by Group policies, which set out the maximum credit that may be extended to a counterparty based on its rating class. The overall consistency of ECAI ratings with internal credit assessments is verified by the Chief Risk Office at least annually.

The review of the credit lines is performed at least once a year involves updating existing credit lines for counterparties that are already borrowing from the Bank or examining new credit line proposals with a view to diversifying the proprietary portfolio and developing new business linked to market opportunities.

The credit risk associated with business with customers is primarily managed by monitoring the performance of the overall portfolio and individual positions and by setting operating and process limits defined in the Risk Appetite Framework. More specifically:

- › loans to customers: the portfolio in question consists primarily of debt securities measured at amortised cost and loans to private customers, in the form of Lombard loans, uncommitted current accounts, fixed-term loans and mortgage loans (in the latter case, for customers subject to special agreements). Overall, the weight of non-performing exposures on the portfolio was within the range of virtuous banks (comparison with the banking system monitoring - EBA Dashboard);
- › non-performing loans: the portfolio of NPLs to customers, which includes lines of non-performing uncommitted and/or fixed-term credit, is mostly secured by pledges of securities and bank and government guarantees and has a coverage ratio substantially in line with supervisory expectations;

- › performing loans: the portfolio of uncommitted and/or fixed-term loans to customers is approximately 78% composed of exposures to natural persons, whereas the remainder is composed of exposures to companies. Credit is primarily provided in the form of uncommitted facilities and Lombard loans, which together account for around 85% of the used exposure. In accordance with the Bank's lending policies and risk appetite, credit is mostly secured by pledges of highly liquid financial instruments and products.

The Credit and the Finance functions carry out first-line control activities. The Finance Department is responsible for lending to institutional counterparties (loans to banks) and investment in financial instruments considered in determining the Group's overall credit exposure.

The second-line control activities are the responsibility of the Chief Risk Office, which ensures the consistency of the processes, strategies and Risk Appetite Framework (RAF), yearly approved by the Bank's Board of Directors. In the specific case of portfolios of loans to private and corporate investors, the Chief Risk Office is tasked with assessing, monitoring and managing credit risk through monitoring of the performance of the overall portfolio, the control of the rules set forth by the Risk Appetite Framework, the drawing up of a prompt and adequate internal report to be submitted to the Bank and its corporate bodies.

Moreover, particular importance is placed on managing the credit risk associated with institutional borrowers. These borrowers are allocated appropriate credit lines, which are monitored by the Chief Risk Office and established with the objective of always maintaining a level of risk of the portfolio that is consistent with the strategies and the Risk Appetite Framework.

Third-line controls are conducted by the Chief Audit Office, in accordance with the Internal Rules.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the credit risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Risk Management department.

Loans subject to Covid measures

In response to the pandemic emergency that broke out in 2020, the Bank took various initiatives in support of the real economy, to inject liquidity in Italy's businesses, participating in the initiatives launched by the Government in March and April 2020 ("Cure Italy Decree" and "Liquidity Decree").

These initiatives included the issue of loans guaranteed by the Mediocredito Centrale SME Guarantee Fund to obtain the guarantees provided for in the Liquidity Decree for loans to Italian companies according to the definition provided in the Decree (companies with fewer than 500 employees, including microenterprises and independent contractors, artisans and self-employment professionals). To date, this exposure is being continuously reduced by repayment in the case of performing positions, and under recovery as regards NPLs, given that the disbursement of these credit lines ended in 2021.

2. Credit risk management policies

2.1 Organisational aspects

The Bank's processes provide for the private and corporate customer credit activity to be run by the Credit function and loans to institutional counterparties and banks to be run by Banca Generali's Finance function.

The Credit function is in charge of the processing of loan applications and the management of overdraft facilities granted by the Bank, as established and governed by the specific Credit Regulation, with a view to ensuring compliance with the law and regulations and the quality of approved loans and to maintaining the risk/return targets established by the Board of Directors.

2.2 Management, measurement and control systems

In addition to issuing loans, the Credit function is also charged with credit management and first-line control, with a proactive approach aimed at anticipating and preventing the deterioration of the loan portfolio.

Within the Credit function, responsibility for monitoring is assigned to specialised individual units on the basis of the supervisory classification of customers (performing and non-performing). The purpose of this is to maximise the efficacy of the actions aimed at monitoring and mitigating credit risk throughout the customer relationship.

The current NPL portfolio stands at moderate values compared to the total exposure, is primarily secured and has been written down for the unsecured portion, resulting in moderate residual risk. Nearly 40% of the NPL portfolio of loans to customers consists of exposures originating in the portfolio (so-called "ex-indemnity") of Banca del Gottardo Italia, fully covered by the loan indemnity granted by BSI S.A. (now EFG Bank AG) upon the sale of the said company and chiefly secured to that end by cash collateral payments by the counterparty.

The exposure to credit risk associated with the securities portfolio is mostly originated by investments in government bonds (approximately 80%), investment-grade bank securities and covered bonds. The corporate securities in the portfolio are negligible.

2.3 Expected loss measurement methods

In compliance with IFRS 9, the Bank has adopted an impairment model based on the concept of expected losses, which makes it possible to determine adjustments to loans on the basis of the parameters of PD (probability of default) and LGD (loss given default) in forward-looking and point-in-time terms, conditional upon macroeconomic scenario models. Such value adjustments are determined over a time horizon of one year in the event of positions classified to Stage 1, or on a lifetime horizon, in the event of positions classified to Stage 2.

The stage assignment criteria for the portfolio of loans to customers in the form of uncommitted and fixed-term loans take account of the counterparty's status, any forbearance measures, decline in creditworthiness compared with origination and limits exceeded for more than 30 days.

When calculating impairment, the probability of default is determined on the basis of the counterparty's rating class and the residual term of the loan. The Bank adopts a management rating model that consists of a consortium component, developed with the CSE consortium, and a personalised component to meet the Bank's business model (Private), developed together with CSE and integrated into the Bank's CSE system. The parameter LGD is essentially determined on the basis of loan type and counterparty type and whether certain guarantees are present. In addition, the parameter EAD (Exposure At Default) is equal to the accounting balance for demand positions, individual contractual cash flows discounted according to the internal rate of return (IRR) for term positions and the accounting balance adjusted by the regulatory Credit Conversion Factor (CCF) for off-balance sheet exposures.

Within the debt securities portfolio, securities classified to the Held-To-Collect and the Held-To-Collect-and-Sell portfolios that have passed the SPPI test are tested for impairment.

When calculating impairment, it is fundamental to classify the staging of individual positions in order to identify any decline in creditworthiness (credit quality) between the purchase of the security and the reporting date. This process (stage assignment) determines the residual quantities and the date with which to associate the credit quality/rating upon purchase, to be compared with the credit quality/rating observed at the reporting date for the purposes of identifying any "significant decline" in credit quality.

The impairment of securities subject to the IFRS 9 rules is calculated according to the following variables:

- › PD: the model adopted for calculating the probability of default (PD) to be applied to the proprietary portfolio within the impairment scope is based on an estimate of a term structure default probability for each security. The component representing the remuneration for operators' risk aversion is eliminated from default probability measures so as to isolate the credit component (so-called "real world approach");
- › LGD: the estimate of the loss given default (LGD) to be applied to the portfolio is calculated according to a deterministic approach in which the LGD parameter is assumed to be constant over the financial asset's entire time horizon as a function of the ranking of the instrument and the classification of the issuer's country;
- › EAD: in the case of the proprietary finance portfolio, reference is made to the nominal value, inclusive of the coupon accrued at the measurement date, discounting both values at the security's rate of return.

In the year, the Group benefitted from its improved calculation capabilities and what-if and stress analyses to test portfolio securities for impairment, reducing operational process risks and ensuring an improvement in the methodologies used to calculate the parameters described above.

2.4 Credit risk mitigation techniques

With regard to the portfolio of loans to private and corporate customers, in order to mitigate credit risk toward customers and in line with its lending policies, the Bank mainly acquires collaterals and, only secondarily, personal guarantees provided by natural persons. The Bank also acquired, while the initiative was in effect, the personal guarantees provided by the Mediocredito Centrale SME Guarantee Fund to secure credit facilities granted to support the economy in the Covid-19 pandemic scenario (a portfolio that to date is constantly decreasing).

Collaterals are chiefly in the form of pledges on securities, such as Funds and Sicavs, discretionary mandates, assets under administration and insurance products.

As limited to customers subject to special agreements, the Bank also acquires mortgages, almost exclusively in residential properties used as a primary residence.

Banca Generali also benefits from an additional master guarantee, known as an indemnity, provided by BSI S.A., now EFG Bank AG as a result of the merger of the two institutions in 2017, for the entire loan portfolio originating with Banca del Gottardo Italia acquired by BSI Italia S.p.A. on 1 October 2008.

This guarantee, which is similar to a first-demand bank guarantee, covers all loans and any associated losses sustained from acquisition until 31 December 2009. After such date, the indemnity was maintained for those positions managed with the aim of recovery and those positions that showed a default event for which payment of the indemnity was requested from the guarantor, BSI S.A., today EFG Bank AG.

At 31 December 2025, indemnity positions amounted to approximately 13,382 thousand euros, which net of adjustment declined to about 5,282 thousand euros (see section 3. Credit exposures to non-performing loans).

3. Credit exposures to non-performing loans

3.1 Management strategies and policies

Non-performing financial assets are classified into several non-performing categories in accordance with the instructions issued by the Supervisory Authority, as provided for in Bank of Italy Circular No. 272 dated 20 July 2008 (as subsequently updated), which refers to the provisions of the European regulation as regards the definition of default.

The process of identifying doubtful positions requires constant monitoring of positions. When limits are exceeded, various debt procedures are triggered to recover the credit. In general, considering that the vast majority of positions are secured by pledges

of financial instruments, there are no residual debt exposures once the enforcement procedure has been concluded. If the exposure is unsecured or there is a residual unsecured exposure, the Bank activates the process for recovering it.

Expected losses are formulated specifically for each position on the basis of all relevant valuation elements (debtor's assets, earned income, date of expected recovery, etc.), with the exception of unsecured positions classified as past due and unlikely to pay of amounts less than 10 thousand euros, which are subject to impairment at a standard rate.

Total net cash non-performing loans (hereinafter "NPLs"), net of 20,984 thousand euro POCI positions reclassified to bad loans, amounted to 17,505 thousand euros and included operating loans totalling 2,966 thousand euros. Net non-performing loans were broken down as follows:

- › net bad loans amounting to 8,429 thousand euros referring mainly to financing, of which 5,282 thousand euros (63%) covered by indemnities, 148 thousand euros (1.8%) secured by mortgages and similar guarantees (Mediocredito Centrale SME Guarantee Fund) and 132 thousand euros (2.8%) unsecured; the residual 2,867 thousand euros related to operating loans mainly in the form of advances to Financial Advisors;
- › net unlikely-to-pay loans of 1,283 thousand euros, of which just 152 thousand euros (12%) actually at risk, and the remaining 1,131 thousand euros (88%) secured by collateral (pledges or mortgages) or similar guarantees (mandate to policy-related collections or guarantee from the Mediocredito Centrale SME Guarantee Fund);
- › net past-due non-performing loans of 7,793 thousand euros, of which 5,996 thousand euros (77%) secured by collateral (mortgage and pledge) or equivalent guarantees (mandate to policy-related collections, guarantee from the Mediocredito Centrale SME Guarantee Fund and SACE policy) and 1,797 thousand euros (30%) unsecured.

Net non-performing loans in the form of financing may be broken down as follows:

- › about 30% (5,282 thousand euros) of exposures referring to Banca del Gottardo Italia's customers and guaranteed by indemnity issued by the seller BSI S.A., now EFG Bank AG; as described above, these exposures do not entail any risk for the Bank. Therefore, no further adjustments were made to these positions with respect to the impairment already carried out by Banca del Gottardo Italia;
- › about 70% (12,223 thousand euros) of exposures for which the Bank is at risk, mostly secured by pledges or mortgages.

Excluding positions covered by indemnities — which, as mentioned above, do not entail any risk for Banca Generali — and operating loans, non-performing cash positions on loans to customers amounted to 9,356 thousand euros. However, considering positions secured by collateral or similar guarantees, which at 7,275 thousand euros make up approximately 42% of total net non-performing loans, a residual total amount of 2,081 thousand euros of net non-performing loans are not secured by collateral, representing 12% of total net non-performing loans and an entirely marginal fraction of total net loans to customers (0.02%).

3.2 Write-offs

The Bank has not adopted any write-off policy, except as described in the following paragraph.

3.3 Purchased or originated credit-impaired financial assets

At 31 December 2025, the Banking Group's portfolio included purchased or originated credit-impaired financial assets of a residual amount of 21.0 million euros.

This item entirely referred to the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues. In the year, the Bank proceeded to fully write off the residual 4.8 million euro usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024. These exposures have been reclassified as originated impaired since they relate to financial instruments for which, at the date of transfer, the SPV had not complied with the contractual repayment terms.

In the following tables, these exposures have been included in bad loans where the specific "Purchased or originated credit-impaired" column is not present.

4. Financial assets subject to commercial renegotiations and forbore exposures

A forbearance measure is an amendment of the original contractual conditions or refinancing granted to a customer in a situation of financial distress in respect of a credit position, which would not have been granted if the customer had not been in such a situation and/or that, conversely, would have resulted in default by the customer had they not been granted.

The Bank takes an individual measurement approach to each exposure. The Bank considers an exposure forbore when one of the following conditions has been met:

- a) the amended contract has been fully or partially past due by more than 30 days at least once in the three months prior to the contractual amendment or would have been fully or partially past due by more than 30 days without the amendment;
- b) at or around the same time as an additional loan is granted, the customer repays the principal or pays the interest on another contract fully or partially past due by 30 days at least once in the three months prior to the refinancing;
- c) the Bank approves the use of embedded clauses in which the customer is past due by 30 days or the debtor would have been past due by 30 days without the exercise of such clauses.

This assessment is performed by a specific specialised unit of the Credit Department as regards the portfolio portion of loans to customers.

At 31 December 2025, outstanding forbearance exposures in the portfolio of loans to customers were mostly classified as performing positions (86%), with the remainder classified as non-performing (14%). Nearly all positions were secured by collateral (primarily pledges and, to a marginal extent, mandate to policy-related collections).

Exposures subject to forbearance measures at 31 December 2025 mostly consisted (approximately 54%) of exposures in amortisation and, to a lesser extent, uncommitted cash exposures. As for the impact on the net present value of the contractual cash flows of the forbearance measures granted over a period of 24 months, given the nature of the renegotiation transactions subject to forbearance measures, largely represented by the renegotiation of the uncommitted cash exposure in amortising loans with a final variable rate, the impact of such exposures on net present value is believed not to be material.

Quantitative information

A. Credit quality

A.1 Credit exposures to non-performing and performing loans: balances, adjustments, performance and income breakdown

For the purposes of quantitative information about credit quality, credit exposures include the entire financial asset portfolio, regardless of the portfolio of allocation for accounting purposes, with the exception of equities and UCITS units.

For further information on credit assets underlying the Forward Fund (mainly non-performing loans to the Italian National Healthcare System), reference should be made to Section 1, Subsection E.

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

PORTFOLIOS/QUALITY	BAD LOANS	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE EXPOSURES	PERFORMING PAST-DUE EXPOSURES	OTHER PERFORMING EXPOSURES	TOTAL
1. Financial assets measured at amortised cost	29,413	1,283	7,793	9,291	12,313,749	12,361,529
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	3,522,223	3,522,223
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	21,309	21,309
5. Financial assets held for sale	-	-	-	-	1,508	1,508
Total at 31.12.2025	29,413	1,283	7,793	9,291	15,858,789	15,906,569
Total at 31.12.2024	25,469	2,486	9,008	16,750	14,021,044	14,074,757

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

PORTFOLIOS/QUALITY	NON-PERFORMING				PERFORMING			
	GROSS EXPOSURE	TOTAL ADJUSTMENTS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS ^(*)	GROSS EXPOSURE	TOTAL ADJUSTMENTS	NET EXPOSURE	TOTAL (NET EXPOSURE)
1. Financial assets measured at amortised cost	61,101	22,612	38,489	83,093	12,327,040	4,000	12,323,040	12,361,529
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	3,522,551	328	3,522,223	3,522,223
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	21,309	21,309
5. Financial assets held for sale	-	-	-	-	1,508	-	1,508	1,508
Total at 31.12.2025	61,101	22,612	38,489	83,093	15,851,099	4,328	15,868,080	15,906,569
Total at 31.12.2024	58,546	21,583	36,963	11,179	14,020,007	4,803	14,037,794	14,074,757

(*) Value to be indicated for disclosure purposes.

PORTFOLIOS/QUALITY	ASSETS WITH CLEARLY POOR CREDIT QUALITY		OTHER ASSETS
	CUMULATIVE CAPITAL LOSSES	NET EXPOSURE	NET EXPOSURE
1. HFT financial assets	-	-	70,399
2. Hedging derivatives	-	-	153,464
Total at 31.12.2025	-	-	223,863
Total at 31.12.2024	-	-	131,334

A.1.3 Breakdown of financial assets by maturity brackets (book value)

PORTFOLIOS/RISK STAGES	STAGE 1			STAGE 2			STAGE 3			PURCHASED OR ORIGINATED CREDIT-IMPAIRED		
	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS	OVER 1 DAY, UP TO 30 DAYS	OVER 30 DAYS, UP TO 90 DAYS	OVER 90 DAYS
1. Financial assets measured at amortised cost	3,210	-	2	2,828	2,564	687	21	207	11,850	-	-	20,984
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Total at 31.12.2025	3,210	-	2	2,828	2,564	687	21	207	11,850	-	-	20,984
Total at 31.12.2024	13,287	-	73	1,971	1,362	614	41	117	17,176	-	-	15,790

A.1.4 Financial assets, commitments to disburse funds and financial guarantees issued - changes in total adjustments and total provisions

CAUSES/RISK STAGES	TOTAL ADJUSTMENTS																				TOTAL PROVISIONS FOR COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED				TOTAL			
	ASSETS ALLOCATED TO STAGE 1						ASSETS ALLOCATED TO STAGE 2						ASSETS ALLOCATED TO STAGE 3						PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS									
	DL	AC	OCI	HFS	IW	CW	DL	AC	OCI	HFS	IW	CW	DL	AC	OCI	HFS	IW	CW	AC	OCI	HFS	IW	CW	S1		S2	S3	C
Total adjustments at year-start	91	3,745	251	-	-	4,087	8	806	-	-	-	814	-	20,307	-	-	20,307	-	1,276	-	-	1,276	-	50	7	24	11,715	38,280
Increases from purchased or originated financial assets	-	1,033	323	-	-	1,356	-	66	-	-	-	66	-	-	-	-	-	-	X	X	X	X	X	11	10	-	43,264	44,707
Cancellations other than write-offs	-81	-1,156	-157	-	-	-1,394	-	-432	-	-	-	-432	-	36	-	-	36	-	-	-	-	-	-	-6	-3	-	-	-1,799
Net adjustments/reversals for credit risk (+/-)	1	-339	-89	-	-	-427	-7	276	-	-	-	269	-	2,969	-	-	2,969	-	-	-	-	-	-	-14	24	19	-	2,840
Contractual changes without cancellations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Changes in the assessment methods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Write-offs not directly recognised through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-700	-	-	-700	-	-1,276	-	-	-1,276	-	-	-	-24	-28,886	-30,886
Total adjustments at year-end	11	3,283	328	-	-	3,622	1	716	-	-	-	717	-	22,612	-	-	22,612	-	-	-	-	-	-	41	38	19	26,093	53,142
Recovery from collection of written off financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Write-offs directly recognised through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	212	-	-	212	-	-	-	-	-	-	-	-	-	16,027	16,239

DL: Demand loans to banks and central banks
AC: Financial assets measured at amortised cost
OCI: Financial assets measured at fair value through other comprehensive income
HFS: Financial assets held for sale
IW: of which: individual write-downs

CW: of which: collective write-downs
S1: Stage 1
S2: Stage 2
S3: Stage 3
C: Commitments to disburse funds and financial guarantees issued, purchased or originated credit-impaired

Pursuant to IFRS 7, paragraph 35H, letter b) (iii), it is reported that the final total adjustments to Stage 2 trade receivables amounted to approximately 8 thousand euros, down compared to their initial levels.

Total final adjustments on the securities portfolio amounted to 2,008 thousand euros and improved by approximately 591 thousand euros, mainly due to the reduced Probability of Default (PD) associated with the Italian government issuer.

A.1.5 Financial assets, commitments to disburse funds and financial guarantees issued – transfers between the different credit risk stages (gross and nominal values)

PORTFOLIOS/RISK STAGES	GROSS AMOUNTS/NOMINAL VALUE					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
1. Financial assets measured at amortised cost	32,341	60,537	3,536	91	3,597	-
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
3. HFS financial assets	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees issued	4,413	159	-	-	-	-
Total at 31.12.2025	36,754	60,696	3,536	91	3,597	-
Total at 31.12.2024	126,405	115,767	1,731	137	2,952	-

A.1.5a Loans subject to Covid-19 support measures: transfers between the different credit risk stages (gross and nominal values)

At the end of 2025, exposures subject to Covid-19 support measures transferred from Stage 1 to Stage 3 amounted to approximately 714 thousand euros. Exposures related solely to loans to SMEs secured by the Mediocredito Centrale SME Guarantee Fund.

PORTFOLIOS/RISK STAGES	GROSS VALUES					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
A. Loans measured at amortised cost	-	-	-	-	714	-
A.1 Subject to forbearance in accordance with the GLs	-	-	-	-	-	-
A.2 Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-
A.3 Subject to other forbearance measures	-	-	-	-	-	-
A.4 Newly issued loans	-	-	-	-	714	-
B. Loans measured at fair value through other comprehensive income	-	-	-	-	-	-
B.1 Subject to forbearance in accordance with the GLs	-	-	-	-	-	-
B.2 Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-
B.3 Subject to other forbearance measures	-	-	-	-	-	-
B.4 Newly issued loans	-	-	-	-	-	-
Total at 31.12.2025	-	-	-	-	714	-
Total at 31.12.2024	462	-	111	-	739	-

A.1.6 Cash and off-balance sheet credit exposures with banks - gross and net values

TYPES OF EXPOSURES/VALUES	GROSS EXPOSURE					TOTAL ADJUSTMENTS AND TOTAL PROVISIONS					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS
	STAGE 1	STAGE 2	STAGE 3	PUR-CHASED OR ORIGINATED CREDIT-IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PUR-CHASED OR ORIGINATED CREDIT-IMPAIRED			
A. Cash credit exposures												
A.1 Demand	303,359	303,114	245	-	-	12	11	1	-	-	303,347	-
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	303,359	303,114	245	X	-	12	11	1	X	-	303,347	-
A.2 Other	3,331,167	3,328,711	2,456	-	-	1,029	1,023	6	-	-	3,330,138	-
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Non-performing past-due exposures	-	X	-	-	-	-	X	-	-	-	-	-
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past-due exposures	-	-	-	X	-	-	-	-	X	-	-	-
of which:												
- forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	3,331,167	3,328,711	2,456	X	-	1,029	1,023	6	X	-	3,330,138	-
of which:												
- forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total A	3,634,526	3,631,825	2,701	-	-	1,041	1,034	7	-	-	3,633,485	-
B. Off-balance sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	156,566	-	-	X	-	-	-	-	X	-	156,566	-
Total B	156,566	-	-	-	-	-	-	-	-	-	156,566	-
Total (A + B)	3,791,092	3,631,825	2,701	-	-	1,041	1,034	7	-	-	3,790,051	-

Cash exposures with banks include all cash financial assets claimed from banks, regardless of the portfolio of allocation for accounting purposes: financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, financial assets designated at fair value and other financial assets mandatorily measured at fair value.

Off-balance sheet exposures include all financial transactions other than cash transactions, such as financial derivatives, guarantees issued and commitments, that entail the assumption of credit risk, determined on the basis of the measurement criteria established by the Bank of Italy.

A.1.7 Cash and off-balance sheet credit exposures with customers - gross and net values

TYPES OF EXPOSURES/VALUES	GROSS EXPOSURE					TOTAL ADJUSTMENTS AND TOTAL PROVISIONS					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS
	STAGE 1	STAGE 2	STAGE 3	PUR-CHASED OR ORIGINATED CREDIT-IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PUR-CHASED OR ORIGINATED CREDIT-IMPAIRED			
A. Cash credit exposures												
a) Bad loans	44,799	X	-	23,815	20,984	15,386	X	-	15,386	-	29,413	83,093
of which:												
- forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	3,000	X	-	3,000	-	1,717	X	-	1,717	-	1,283	-
of which:												
- forborne exposures	561	X	-	561	-	223	X	-	223	-	338	-
c) Non-performing past-due exposures	13,302	X	-	13,302	-	5,509	X	-	5,509	-	7,793	-
of which:												
- forborne exposures	622	X	-	622	-	137	X	-	137	-	485	-
d) Performing past-due exposures	9,413	3,226	6,187	X	-	122	13	109	X	-	9,291	-
of which:												
- forborne exposures	614	-	614	X	-	10	-	10	X	-	604	-
e) Other performing exposures	12,600,639	12,321,505	187,506	X	-	3,177	2,575	602	X	-	12,597,462	-
of which:												
- forborne exposures	6,477	-	6,477	X	-	29	-	29	X	-	6,448	-
Total A	12,671,153	12,324,731	193,693	40,117	20,984	25,911	2,588	711	22,612	-	12,645,242	83,093
B. Off-balance sheet credit exposures												
a) Non-performing	34,517	X	-	1,408	32,637	26,112	X	-	19	26,093	8,405	-
b) Performing	1,498,668	1,484,365	6,924	X	-	80	41	39	X	-	1,498,588	-
Total B	1,533,185	1,484,365	6,924	1,408	32,637	26,192	41	39	19	26,093	1,506,993	-
Total (A + B)	14,204,338	13,809,096	200,617	41,525	53,621	52,103	2,629	750	22,631	26,093	14,152,235	83,093

Cash exposures with customers include all cash financial assets claimed from customers, regardless of the portfolio of allocation for accounting purposes: financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, financial assets designated at fair value and other financial assets mandatorily measured at fair value.

Off-balance sheet exposures include all financial transactions other than cash transactions, such as financial derivatives, guarantees issued and commitments, that entail the assumption of credit risk, determined on the basis of the measurement criteria established by the Bank of Italy.

All non-performing off-balance sheet exposures refer to positions entirely secured by pledges.

The classification of non-performing loans to customers relating to the HTC accounting portfolio is shown below; loans and debt securities that reached maturity are thus included.

Bad loans

Gross bad loans to customers amounted to 23,815 thousand euros (net of purchased or originated credit-impaired exposures (POCI) for 20,984 thousand euros) and included 15,386 thousand euros of value adjustments; therefore, net bad loans recognised totalled 8,429 thousand euros. Of this amount, 5,282 thousand euros (63% of net bad loans alone) related to positions attributable to former Banca del Gottardo Italia's customers, fully covered by cash collateral deposits granted by BSI S.A., now EFG Bank AG, as part of the indemnity guarantee.

Excluding "ex-indemnity" positions and bad loans on operating loans amounting to 2,867 thousand euros, net bad loans to ordinary customers thus amounted to 280 thousand euros, equal to about 3% of total net bad loans and 0.002% of total net loans to customers. Considering bad loans secured by guarantees (mortgages of 8 thousand euros and guarantee provided by the Mediocredito Centrale SME Guarantee Fund of 140 thousand euros), residual net bad loans amounted to 132 thousand euros.

The portfolio of bad loans also includes the exposure in debt instruments, amounting to 2,642 thousand euros gross, allocated to the HTC portfolio and deemed almost entirely irrecoverable.

The aggregate (see Table A.1.9) grew by 5,142 thousand euros gross. The change in the exposure was driven by the POCI positions, which increased sharply by 3,018 thousand euros in the year. In detail, the exposure rose by 86,173 thousand euros following the enforcement of guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, covered using the provision for credit risk relating to financial guarantees issued for 59,381 thousand euros and written off for 17,302 thousand euros. The residual bad loans grew by 1,224 thousand euros, due to the combined effect of: 1) increases attributable to new reclassifications from performing exposures amounting to 199 thousand euros, transfers from other non-performing exposures for 4,937 thousand euros, mainly relating to operating loans previously classified as non-performing past-due exposures, and other increases amounting to 725 thousand euros, due to greater draw-downs on positions already classified as bad loans due to the charging of interest; 2) decreases attributable for 4,304 thousand euros to collections and for 44 thousand euros to write-offs.

Purchased or originated credit-impaired (POCI) exposures

Originated credit-impaired exposures amounted to 20,984 thousand euros gross and related to the Bank's rights of recourse related to the enforcement of financial guarantees issued to customers for investments made in illiquid products distributed by the Bank that were marked by investment repayment issues.

The residual 4.8 million euro receivables in relation to usufruct rights on coupons accrued on the above-mentioned products in 2023 and 2024 were fully written off in the year.

Unlikely to pay

At 31 December 2025, the gross amount of the item "Unlikely to pay" was 3,000 thousand euros, of which 1,918 thousand euros (64%) attributable to positions secured by collateral or equivalent guarantees (mandate to policy-related collections or guarantee from the Mediocredito Centrale SME Guarantee Fund), and it included 1,717 thousand euros of adjustments, for a net balance of 1,283 thousand euros.

The aggregate (see Table A.1.9) decreased by 967 thousand euros compared to 31 December 2024 as a result of:

- › decreases of 1,572 thousand euros, due mostly to transfers to other categories of non-performing exposures (reclassification to bad loans) for 1,015 thousand euros, as well as collections of 527 thousand euros, referring to counterparties with exposures secured by collateral and similar guarantees, definitively recovered due to repayment and discharge of the exposure, and, to a marginal extent, to derecognitions and minor draw-downs;
- › increases of 605 thousand euros, consisting of new positions transferred from other performing categories amounting to 109 thousand euros and relating to originally performing positions that deteriorated during the year and were classified as unlikely to pay, transfers from other categories of non-performing exposures for 348 thousand euros relating to positions already past due reclassified as unlikely to pay, and greater draw-downs from positions already classified as UTP of 148 thousand euros.

Non-performing past-due exposures

Non-performing past-due exposures amounted to 13,302 thousand euros, including adjustments of 5,509 thousand euros, yielding a net balance of 7,793 thousand euros. The net aggregate mainly includes: i) exposures mainly secured by collateral (mortgage and pledge) or equivalent guarantees (mandate to policy-related collections, guarantee from the Mediocredito Centrale SME Guarantee Fund and SACE policy) totalling 5,996 thousand euros; ii) other unsecured exposures with an average balance per position of approximately 1.3 thousand euros.

The aggregate (see table A.1.9) decreased by 1,620 thousand euros compared to 31 December 2024 as a result of:

- › decreases of 12,102 thousand euros, mainly consisting of collections on past-due positions and/or positions with full repayment of the exposure for 6,171 thousand euros, transfers to other categories of non-performing exposures for 5,285 thousand euros, mainly due to the reclassification of operating loans, return to performing status of past-due exposures due to repayment for 91 thousand euros, write-offs with concurrent recognition of a credit loss for a total of 168 thousand euros and other decreases amounting to 387 thousand euros;
- › increases of 10,482 thousand euros, primarily attributable to new reclassifications from performing positions for 6,986 thousand euros and to increases in already non-performing positions of 3,496 thousand euros.

Performing past-due exposures

Performing past-due exposures also include positions overdrawn or past due by more than 90 days, and for which the amount past due does not exceed the significance thresholds set following the entry into force of the new definition of default established by the European Regulation on prudential requirements for credit institutions and investment firms (Article 178 of Regulation No. 575/2013).

In almost all cases, these are positions guaranteed by pledges found to be past due at the reporting date and currently being repaid.

Loans subject to Covid measures

With regard to Covid-19 support measures at 31 December 2025, loans to SMEs secured by the Mediocredito Centrale SME Guarantee Fund and granted until 2021, amounted to 1,986 thousand euros (of which 524 thousand euro non-performing loans).

A.1.7a Loans subject to Covid-19 measures: gross and net values

TYPE OF EXPOSURES/VALUES	GROSS EXPOSURE					TOTAL ADJUSTMENTS AND TOTAL PROVISIONS					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS (*)
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED		STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED			
A. Bad loans	-	-	-	-	-	-	-	-	-	-	-	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	-	-	-	-	-	-	-	-	-	-	-	-
B. Unlikely to pay	120	-	-	120	-	11	-	-	12	-	109	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	120	-	-	120	-	11	-	-	12	-	109	-
C. Non-performing past-due loans	460	-	-	460	-	45	-	-	44	-	415	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	460	-	-	460	-	45	-	-	44	-	415	-
D. Performing loans	-	-	-	-	-	-	-	-	-	-	-	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	-	-	-	-	-	-	-	-	-	-	-	-
E. Other performing loans	1,462	1,462	-	-	-	-	-	-	-	-	1,462	-
a) Subject to forbearance measures in accordance with GLs	-	-	-	-	-	-	-	-	-	-	-	-
b) Subject to moratorium no longer in accordance with the GLs and not measured as subject to forbearance	-	-	-	-	-	-	-	-	-	-	-	-
c) Subject to other forbearance measures	-	-	-	-	-	-	-	-	-	-	-	-
d) Newly issued loans	1,462	1,462	-	-	-	-	-	-	-	-	1,462	-
Total (A + B + C + D + E)	2,042	1,462	-	580	-	56	-	-	56	-	1,986	-

(*) Value to be indicated for disclosure purposes.

A.1.9 Cash credit exposures with customers - changes in gross non-performing exposures

CAUSES/CATEGORIES	BAD LOANS	UNLIKELY TO PAY	NON-PERFORMING PAST-DUE EXPOSURES
A. Gross exposure at year-start	39,657	3,967	14,922
– of which: exposures transferred but not written off	–	–	–
B. Increases	86,173	605	10,482
B.1 New reclassifications from performing exposures	199	109	6,986
B.2 New reclassifications from purchased or originated credit-impaired financial assets ^(*)	80,312	–	–
B.3 Transfers from other categories of non-performing exposures	4,937	348	–
B.4 Contractual changes without cancellations	–	–	–
B.5 Other increases ^(*)	725	148	3,496
C. Decreases	81,031	1,572	12,102
C.1 Reclassification to performing exposures	–	2	91
C.2 Write-offs ^(*)	17,346	1	168
C.3 Repayments received	4,304	527	6,171
C.4 Gains on disposals	–	–	–
C.5 Losses on disposals	–	–	–
C.6 Transfers to other categories of non-performing exposures	–	–	5,285
C.7 Contractual changes without cancellations	–	–	–
C.8 Other decreases ^(*)	59,381	1,042	387
D. Gross exposure at year-end	44,799	3,000	13,302
– of which: exposures transferred but not written off	–	–	–

(*) Items mainly refer to the performance of POCL exposures.

A.1.9-bis Cash credit exposures with customers - changes in gross forborne exposures, broken down by credit quality

CAUSES/QUALITY	NON-PERFORMING FORBORNE EXPOSURES	PERFORMING FORBORNE EXPOSURES
A. Gross exposure at year-start	732	4,686
– of which: exposures transferred but not written off	–	–
B. Increases	636	3,799
B.1 New reclassifications from performing non-forborne exposures	535	684
B.2 New reclassifications from performing forborne exposures	47	X
B.3 New reclassifications from non-performing forborne exposures	X	–
B.4 Other increases	54	3,115
C. Decreases	185	1,394
C.1 Reclassifications to performing non-forborne exposures	X	563
C.2 Reclassifications to performing forborne exposures	–	X
C.3 Reclassifications to non-performing forborne exposures	X	47
C.4 Write-offs	–	–
C.5 Repayments received	91	784
C.6 Gains on disposals	–	–
C.7 Losses on disposals	–	–
C.8 Other decreases	94	–
D. Gross exposure at year-end	1,183	7,091
– of which: exposures transferred but not written off	–	–

Forborne exposures

Gross forborne exposure, amounting to 8,274 thousand euros, consisted largely of performing positions totalling 7,091 thousand euros gross (accounting for 86% of total forborne exposures), almost all of which were supported by collateral or similar guarantees, for which the 3,799 thousand euro increase on 2024 (from 4,686 thousand euros) was attributable to: i) new reclassifications for 684 thousand euros relating to performing positions that were granted a forbearance measure (new financing or refinancing of existing debt); ii) reclassifications from non-performing forborne exposures (end of cure period) for 52 thousand euros; and iii) increases of 3,063 thousand euros for amounts charged to performing positions already classified as forborne.

Decreases amounted to 1,394 thousand euros and were attributable to: positions reclassified to performing non-forborne exposures for 563 thousand euros for which the probation period elapsed, positions reclassified to non-performing forborne exposures for 47 thousand euros, and collections of 784 thousand euros referring to repayment and write-off of forborne exposures.

The residual amount consisted of non-performing forborne exposures totalling 1,183 thousand euros gross (accounting for 14% of total forborne exposures).

The non-performing cash forborne positions aggregate grew by 451 thousand euros overall (in gross terms), as a result of:

- › increases of 636 thousand euros due to: new reclassifications from performing non-forborne exposures for 535 thousand euros, new reclassifications from performing forborne exposures for 47 thousand euros, new reclassifications from non-performing forborne exposures for 24 thousand euros and amounts charged for 30 thousand euros;
- › decreases of 185 thousand euros primarily consisting of reclassifications to performing status of 94 thousand euros and collections of 91 thousand euros.

A.1.11 Non-performing cash credit exposures with customers: changes in total adjustments

CAUSES/CATEGORIES	BAD LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST-DUE EXPOSURES	
	TOTAL	OF WHICH: FORBORNE EXPOSURES	TOTAL	OF WHICH: FORBORNE EXPOSURES	TOTAL	OF WHICH: FORBORNE EXPOSURES
A. Total adjustments at year-start	14,188	-	1,481	251	5,914	35
– of which: exposures transferred but not written off	-	-	-	-	-	-
B. Increases	2,688	-	629	59	2,892	107
B.1 Adjustments to purchased or originated credit-impaired financial assets	-	X	-	X	-	X
B.2 Other adjustments	938	-	563	59	2,830	107
B.3 Losses on disposals	3	-	-	-	33	-
B.4 Transfers from other categories of non-performing exposures	1,747	-	66	-	-	-
B.5 Contractual changes without cancellations	-	X	-	X	-	X
B.6 Other increases	-	-	-	-	29	-
C. Decreases	1,490	-	393	87	3,297	5
C.1 Reversals of adjustments	11	-	262	69	133	5
C.2 Reversals of collections	158	-	126	18	672	-
C.3 Gains on disposals	-	-	-	-	-	-
C.4 Write-offs	43	-	1	-	168	-
C.5 Transfers to other categories of non-performing exposures	-	-	-	-	1,813	-
C.6 Contractual changes without cancellations	-	X	-	X	-	X
C.7 Other decreases	1,278	-	4	-	511	-
D. Total adjustments at year-end	15,386	-	1,717	223	5,509	137
– of which: exposures transferred but not written off	-	-	-	-	-	-

The exposures in the previous tables include non-performing positions for a net amount of 2,966 thousand euros, attributable to operating receivables not involving lending transactions, mostly relating to disputes and pre-dispute positions against former Financial Advisors (terminated or expired contracts).

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OPERATING RECEIVABLES UNDER DISPUTE	GROSS	WRITE-DOWNS	NET
Receivables related to FA litigation	4,378	1,412	2,966
Advances to FAs	79	79	-
Write-downs of receivables from FAs	4,457	1,491	2,966
Write-downs of operating receivables	23	23	-
Write-downs of operating receivables	23	23	-
Total write-downs	4,480	1,514	2,966

A.2 Classification of financial assets, commitments to disburse funds and financial guarantees issued based on external and internal rating

Banca Generali has always regarded lending as ancillary to its ability to attract and manage its customers' assets. Accordingly, the Bank has not traditionally used an internal rating system to assess its customers' creditworthiness. The Bank therefore largely uses external ratings published by the main rating companies (Moody's, S&P and Fitch) in making portfolio decisions regarding its trading activities.

A.2.1 Breakdown of financial assets, commitments to disburse funds and financial guarantees issued by external rating classes (gross values)

EXPOSURES	EXTERNAL RATING CLASSES						WITHOUT RATING	TOTAL
	AAA/AA-	A+/A-	BBB+/BBB-	BB+/BB-	B+/B-	< B-		
A. Financial assets measured at amortised cost	2,642,704	1,855,712	4,118,621	67,462	-	-	3,703,644	12,388,143
– Stage 1	2,642,704	1,855,712	4,118,621	67,462	-	-	3,446,437	12,130,936
– Stage 2	-	-	-	-	-	-	196,310	196,310
– Stage 3	-	-	-	-	-	-	39,913	39,913
– Purchased or originated credit-impaired	-	-	-	-	-	-	20,984	20,984
B. Financial assets measured at fair value through other comprehensive income	173,887	1,185,639	2,163,026	-	-	-	-	3,522,552
– Stage 1	173,887	1,185,639	2,163,026	-	-	-	-	3,522,552
– Stage 2	-	-	-	-	-	-	-	-
– Stage 3	-	-	-	-	-	-	-	-
– Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
C. HFS financial assets	-	-	-	-	-	-	-	-
– Stage 1	-	-	-	-	-	-	-	-
– Stage 2	-	-	-	-	-	-	-	-
– Stage 3	-	-	-	-	-	-	-	-
– Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
Total (A + B + C)	2,816,591	3,041,351	6,281,647	67,462	-	-	3,703,644	15,910,695
D. Commitments to disburse funds and financial guarantees issued	-	-	-	-	-	-	128,831	128,831
– Stage 1	-	-	-	-	-	-	89,223	89,223
– Stage 2	-	-	-	-	-	-	6,933	6,933
– Stage 3	-	-	-	-	-	-	38	38
– Purchased or originated credit-impaired	-	-	-	-	-	-	32,637	32,637
Total (A + B + C + D)	2,816,591	3,041,351	6,281,647	67,462	-	-	3,832,475	16,039,526

Financial assets measured at amortised cost without rating include trade receivables and advances to Financial Advisors totalling 161,085 thousand euros.

A.3 Breakdown of guaranteed credit exposures by type of guarantee

A.3.1 Guaranteed cash and off-balance sheet credit exposures with banks

	EXPOSURE		COLLATERALISED GUARANTEES (1)				PERSONAL GUARANTEES (2)								TOTAL (1) + (2)	
							CREDIT DERIVATIVES				SIGNATURE LOANS					
							OTHER DERIVATIVES				GENERAL GOVERN- MENTS	BK	OTHER FINAN- CIAL CORP.	OTHER ENTI- TIES		
	CLNS	CC	BK	OTHER FI- NAN- CIAL CORP.	OTHER ENTI- TIES											
	GROSS	NET	BUILDINGS – MORT- GAGES	BFL	SECURI- TIES	OTHER COLLAT- ERALISED GUARAN- TEES										
1. Guaranteed cash credit exposures	576,082	575,964	-	-	487,063	-	-	-	-	-	-	88,487	-	-	-	575,550
1.1 Totally guaranteed	576,082	575,964	-	-	487,063	-	-	-	-	-	-	88,487	-	-	-	575,550
– of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Partially guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Totally guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Partially guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
– of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Legend:

BFL: Buildings - Finance leases

CC: Central counterparties

BK: Banks

A.3.2 Guaranteed cash and off-balance sheet credit exposures with customers

All assets held as guarantee (whether financial or non-financial) may only be liquidated in the event of default by the primary debtor, subject to formal notification to the guarantor. Accordingly, the Bank cannot sell or reuse as guarantee such assets unless the debtor defaults.

	EXPOSURE		COLLATERALISED GUARANTEES				PERSONAL GUARANTEES								TOTAL (1) + (2)	
							CREDIT DERIVATIVES				SIGNATURE LOANS					
							OTHER DERIVATIVES				GENERAL GOVERN- MENTS	BK	OTHER FINAN- CIAL CORP.	OTHER ENTI- TIES		
	CLNS	CC	BK	OTHER FINAN- CIAL CORP.	OTHER ENTI- TIES											
	GROSS	NET	BUILDINGS - MORT- GAGES	BFL	SECURITIES	OTHER COLLAT- ERALISED GUARAN- TEES										
1. Guaranteed cash credit exposures	2,458,058	2,443,545	237,713	-	1,833,276	345,508	-	-	-	-	-	19,233	-	51	1,003	2,436,784
1.1 Totally guaranteed	2,430,220	2,416,626	236,661	-	1,817,612	342,211	-	-	-	-	-	19,233	-	49	673	2,416,439
– of which: non-performing	23,222	11,400	4,427	-	2,157	3,280	-	-	-	-	-	1,521	-	-	15	11,400
1.2 Partially guaranteed	27,838	26,919	1,052	-	15,664	3,297	-	-	-	-	-	-	-	2	330	20,345
– of which: non-performing	2,036	1,138	237	-	464	241	-	-	-	-	-	-	-	-	-	942
2. Guaranteed off-balance sheet credit exposures	1,254,489	1,254,394	75	-	1,002,215	239,380	-	-	-	-	-	-	-	10	635	1,242,315
2.1 Totally guaranteed	1,217,402	1,217,309	75	-	983,154	233,092	-	-	-	-	-	-	-	10	580	1,216,911
– of which: non-performing	282	264	-	-	259	5	-	-	-	-	-	-	-	-	-	264
2.2 Partially guaranteed	37,087	37,085	-	-	19,061	6,288	-	-	-	-	-	-	-	-	55	25,404
– of which: non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Legend:

BFL: Buildings - Finance leases

CC: Central counterparties

BK: Banks

B. Breakdown and concentration of credit exposures

B.1 Sector breakdown of cash and off-balance sheet credit exposures with customers

EXPOSURES/COUNTERPARTY	NET EXPOSURE	TOTAL ADJUSTMENTS
A. Cash exposures		
1. General governments	9,656,952	1,076
A.1 Bad loans	-	-
– of which: forborne exposures	-	-
A.2 Unlikely to pay	-	-
– of which: forborne exposures	-	-
A.3 Non-performing past-due exposures	-	2
– of which: forborne exposures	-	-
A.4 Performing exposures	9,656,952	1,074
– of which: forborne exposures	-	-
2. Financial corporations	509,828	2,026
A.1 Bad loans	22,781	748
– of which: forborne exposures	-	-
A.2 Unlikely to pay	201	334
– of which: forborne exposures	-	-
A.3 Non-performing past-due exposures	769	479
– of which: forborne exposures	-	-
A.4 Performing exposures	486,077	465
– of which: forborne exposures	2,829	23
3. Financial corporations (of which insurance companies)	41,040	-
A.1 Bad loans	-	-
– of which: forborne exposures	-	-
A.2 Unlikely to pay	-	-
– of which: forborne exposures	-	-
A.3 Non-performing past-due exposures	-	-
– of which: forborne exposures	-	-
A.4 Performing exposures	41,040	-
– of which: forborne exposures	-	-
4. Non-financial corporations	336,799	14,979
A.1 Bad loans	3,061	12,516
– of which: forborne exposures	-	-
A.2 Unlikely to pay	544	331
– of which: forborne exposures	191	6
A.3 Non-performing past-due exposures	2,259	1,422
– of which: forborne exposures	426	55
A.4 Performing exposures	330,935	710
– of which: forborne exposures	893	3
5. Households	2,141,662	7,829
A.1 Bad loans	3,571	2,122
– of which: forborne exposures	-	-
A.2 Unlikely to pay	537	1,052
– of which: forborne exposures	147	216
A.3 Non-performing past-due exposures	4,765	3,606
– of which: forborne exposures	60	82
A.4 Performing exposures	2,132,789	1,049
– of which: forborne exposures	3,330	12
Total A – Cash exposures	12,645,241	25,910

EXPOSURES/COUNTERPARTY	NET EXPOSURE	TOTAL ADJUSTMENTS
B. Off-balance sheet exposures		
1. General governments	2,295	-
B.1 Non-performing exposures	-	-
B.2 Performing exposures	2,295	-
2. Financial corporations	184,448	26,102
B.1 Non-performing exposures	8,071	26,093
B.2 Performing exposures	176,377	9
3. Financial corporations (of which insurance companies)	-	-
B.1 Non-performing exposures	-	-
B.2 Performing exposures	-	-
4. Non-financial corporations	286,894	49
B.1 Non-performing exposures	21	17
B.2 Performing exposures	286,873	32
5. Households	1,033,357	42
B.1 Non-performing exposures	312	2
B.2 Performing exposures	1,033,045	40
Total B – Off-balance sheet exposures	1,506,994	26,193

	NET EXPOSURE	TOTAL ADJUSTMENTS
General governments	9,659,247	1,076
Financial corporations	694,276	28,128
Financial corporations (of which insurance companies)	41,040	-
Non-financial corporations	623,693	15,028
Households	3,175,019	7,871
Overall total (A + B) at 31.12.2025	14,152,235	52,103
Overall total (A + B) at 31.12.2024	12,557,068	37,171

B.2 Geographical breakdown of cash and off-balance-sheet credit exposures with customers

EXPOSURES/ GEOGRAPHICAL AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS	NET EXPOSURE	TOTAL VAL- UE ADJUST- MENTS	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS
A. Cash credit exposures										
A.1 Bad loans	8,429	14,603	20,984	783	-	-	-	-	-	-
A.2 Unlikely to pay	1,283	1,717	-	-	-	-	-	-	-	-
A.3 Non-performing past-due exposures	7,207	5,455	48	53	128	-	-	-	411	-
A.4 Other performing exposures	8,472,898	2,486	3,089,885	674	64,646	19	31,717	4	947,608	116
Total A	8,489,817	24,261	3,110,917	1,510	64,774	19	31,717	4	948,019	116
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	1,389	19	7,015	26,093	-	-	-	-	-	-
B.2 Performing exposures	1,482,597	80	11,964	-	1,013	-	793	-	621	-
Total B	1,483,986	99	18,979	26,093	1,013	-	793	-	621	-
Total at 31.12.2025	9,973,803	24,360	3,129,896	27,603	65,787	19	32,510	4	948,640	116
Total at 31.12.2024	9,213,574	22,637	834,902	14,125	57,785	32	48,190	7	2,400,251	369

B.3 Geographical breakdown of cash and off-balance-sheet credit exposures with banks

EXPOSURES/ GEOGRAPHICAL AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS	NET EXPOSURE	TOTAL VALUE AD- JUSTMENTS
A. Cash credit exposures										
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
A.3 Non-performing past-due exposures	-	-	-	-	-	-	-	-	-	-
A.4 Other performing exposures	1,107,760	222	2,305,478	764	7,925	10	-	-	212,321	45
Total A	1,107,760	222	2,305,478	764	7,925	10	-	-	212,321	45
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	149,073	-	3,800	-	-	-	-	-	-	-
Total B	149,073	-	3,800	-	-	-	-	-	-	-
Total at 31.12.2025	1,256,833	222	2,309,278	764	7,925	10	-	-	212,321	45
Total at 31.12.2024	1,762,078	392	1,970,002	688	110,420	2	1,075	-	21,952	27

B.4 Large exposures

Regulation (EU) No. 575/2013 (CRR) and Directive No. 2013/36/EU (CRD IV), published on the *Official Journal* of the European Union on 27 June 2013, enacted the rules defined by the Basel Committee on banking supervision governing “Large Exposures”. On 17 December 2013, the Bank of Italy subsequently implemented such provisions by issuing Circular No. 285 “New Prudential Supervisory Provisions Concerning Banks” — updated several times over the years (latest update No. 50 dated 26 August 2025) — and Circular No. 286 “Instructions for the Compilation of Prudential Reports for Banks and Securities Brokerage Companies”, which was also updated on multiple occasions (latest update No. 18 date 3 December 2025).

According to the aforementioned rules, the exposure of a bank to a counterparty or to a group of connected counterparties must be defined as a “large exposure” if its value is equal to or above 10% of the bank’s Tier 1 capital.

Pursuant to CRR 575/2013, “Tier 1 capital” is defined as the sum of Total Common Equity Tier 1 (CET 1) capital and Additional Tier 1 (AT1) capital of the entity.

For the purpose of identifying large exposures, the exposure is measured at its carrying amount and not at its risk-weighted amount. Therefore, the positions that meet the definition are recognised both at their carrying amount and risk-weighted amount.

BIG RISKS	31.12.2025	31.12.2024
a) Amount of the exposure	13,532,517	11,616,284
b) Weighted amount	428,265	580,310
c) Number	14	14

C. Securitisation

Qualitative information

Banca Generali's appetite for investments in securitised instruments is very limited (the exposure is 0.50% of the total banking book bond portfolio). All investments undertaken were directed towards the most senior tranches of the securitised structures.

Quantitative information

C.2 Breakdown of exposures resulting from main third-party securitisations by type of securitised assets and type of exposure

TYPE OF UNDERLYING ASSETS/EXPOSURES	CASH EXPOSURES						GUARANTEES ISSUED						LINES OF CREDIT					
	SENIOR		MEZZANINE		JUNIOR		SENIOR		MEZZANINE		JUNIOR		SENIOR		MEZZANINE		JUNIOR	
	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR	BV	AR
GIM NL LUX 12.06.2018	20,116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRADO VIII FRN 2055	1,879	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRISMA SPV FRN 2039	8,971	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LANTERNA M FRN 2065	3,797	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CORDATUS VIII FRN 34	7,543	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EURO-GAL VII FRN 35	7,537	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AQUEDUCT EUROPEAN CL	6,211	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INVESCO VI FRN 2035	7,542	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Legend

BV = book value

AR = Adjustments/Reversals

D. Information on structured entities (other than securitisation vehicle companies) not consolidated for accounting purposes

For further qualitative and quantitative information on other structured entities, reference should be made to Part E, Section 1 – Accounting consolidation risks – B. Information on structured entities (other than securitisation companies) - B.2.2 Other structured entities of the Consolidated Financial Statements.

E. Transfers

E.1 Transferred financial assets fully recognised and related financial liabilities: book value

	TRANSFERRED FINANCIAL ASSETS FULLY RECOGNISED				RELATED FINANCIAL LIABILITIES			
	BOOK VALUE	OF WHICH: SECURITISED	OF WHICH: REVERSE REPURCHASE AGREEMENTS	OF WHICH: NON- PERFORMING	BOOK VALUE	OF WHICH: SECURITISED	OF WHICH: REVERSE REPURCHASE AGREEMENTS	
A. HFT financial assets	-	-	-	X	-	-	-	
1. Debt securities	-	-	-	X	-	-	-	
2. Equity securities	-	-	-	X	-	-	-	
3. Loans	-	-	-	X	-	-	-	
4. Derivatives	-	-	-	X	-	-	-	
B. Other financial assets mandatorily measured at fair value	-	-	-	-	-	-	-	
1. Debt securities	-	-	-	-	-	-	-	
2. Equity securities	-	-	-	X	-	-	-	
3. Loans	-	-	-	-	-	-	-	
C. Financial assets designated at fair value	-	-	-	-	-	-	-	
1. Debt securities	-	-	-	-	-	-	-	
2. Loans	-	-	-	-	-	-	-	
D. Financial assets measured at fair value through other comprehensive income	790,816	-	790,816	-	791,137	-	791,137	
1. Debt securities	790,816	-	790,816	-	791,137	-	791,137	
2. Equity securities	-	-	-	X	-	-	-	
3. Loans	-	-	-	-	-	-	-	
E. Financial assets measured at amortised cost	711,882	-	711,882	-	731,412	-	731,412	
1. Debt securities	711,882	-	711,882	-	731,412	-	731,412	
2. Loans	-	-	-	-	-	-	-	
Total at 31.12.2025	1,502,698	-	1,502,698	-	1,522,549	-	1,522,549	
Total at 31.12.2024	1,053,420	-	1,053,420	-	1,051,453	-	1,051,453	

C. Prudential consolidation - Transferred financial assets fully derecognised

In accordance with the Bank of Italy Communication of 23 December 2019, this section contains information regarding the restructuring of a portfolio of senior notes issued by SPVs in the securitisation of healthcare receivables by Banca Generali in 2021 as it is considered to constitute a transfer of a loan portfolio to a mutual investment fund with concurrent subscription of the units by the transferring intermediary.

The healthcare receivable restructuring operation

In 2021, Banca Generali had performed an extensive restructuring of a portfolio of senior notes issued by an SPV of securitised healthcare receivables, with a notional value of 478.5 million euros, held by its professional customers. In particular, the restructuring of the portfolio entailed the following:

1. the purchase of the securitised senior notes from the customers for an amount of 457.6 million euros^{37 38};
2. the simultaneous sale of the notes thus purchased to a newly formed Italian fund (AIF), the "Forward Fund", managed by Gardant Investor SGR, for 377.7 million euros, with the Bank recognising a trading loss of 79.9 million euros, accounting for approximately 79% of the principal amount outstanding of these notes;

³⁷ In particular, Banca Generali promoted a purchase offer addressed to all interested customers in reference to the full outstanding amount of the senior notes relating to the Astrea Due, Astrea Tre, Astrea Quattro, Chiron Due and Argo securitisations for a consideration of 95% of the principal amount outstanding (97.5% for Argo).

³⁸ The total outstanding amount of the securitisations amounted to 542 million euros, inclusive of mezzanine notes not distributed to the Bank's customers and junior notes held by the arranger of the transaction.

3. the subscription by the Bank of the majority of the shares of the above Fund, with a 98% stake, equal to 490 million euros (A shares), of which 378 million euros already paid at the time of purchase of the notes, whereas the remaining 10 million euros (B shares) were subscribed by Gardant S.p.A., the parent company of the management firm that promoted the formation and assumed full, independent management of the fund.

The strategic goal of the restructuring was thus essentially to protect customers against a potential loss on the investments concerned by transferring the aforementioned notes to a specialised, independent professional operator with specific expertise in managing illiquid portfolios and the servicing of securitisations, capable of optimising the process of recovering the cash flows generated by the notes by restructuring their maturities and ensuring better management of the repayment of the underlying receivables and concurrent reinvestment of the proceeds of such payments.

The securitisations subject to transfer did not refer to underlying transactions originated by Banca Generali and had not been previously held by the Bank. Rather, the Bank only acquired title to them on an entirely temporary basis at the time of the twofold transfer.

In fact, the Bank acted only as Placement Agent in these securitisation transactions, but it has nonetheless decided to undertake the restructuring operation to protect its customers and strengthen its trust-based relationship with them.

The portfolio of transferred receivables

At the end of 2021, the assets underlying the securitisations had amounted to 595.1 million euros and had included 509.1 million euro healthcare receivables from local healthcare authorities, with a residual share consisting of receivables from the Italian general government (e.g., municipalities, regions, ministries, etc.) and 86.0 million euro cash balance.

In particular, exposures to healthcare companies also included types of receivables with a high risk profile, such as “out-of-budget” healthcare receivables (268 million euros) and late payment interest from past-due healthcare receivables (162.5 million euros, of which 62.0 million euros transferred without the originating receivables).

Most of the receivables underlying the securitisations could therefore be deemed to be non-performing as overdrawn or under dispute, with the exception of the liquidity and a minor revolving loans component.

At 31 December 2025, the nominal value of healthcare receivables within the Forward Fund amounted to about 397.2 million euros, of which 271.2 million euros are expected to be collected, compared to 298.8 million at year-end 2024, divided into receivables from General governments of 159 million euros and receivables from transferors³⁹ of 112.2 million euros.

In 2025, repayments collected amounted to approximately 7.1 million euros.

The portfolio fair value was 230.9 million euros (246.1 million euros at the end of 2024).

The Forward Fund

The Forward Fund is a reserved, closed-end Italian alternative investment fund (AIF), formed by Gardant Investor SGR S.p.A. following the authorisation received on 2 August 2021.

In accordance with the Fund Regulation, approved by the related Board of Directors on 10 September 2021, two classes of units were issued that grant their holders different economic and governance prerogatives:

- 490 class A units, subscribed by Banca Generali, in the total amount of 490 million euros, of which 378 million euros paid in cash upon the purchase of the senior notes by the Fund⁴⁰, and the remaining 112 million euros called in 2022 and aimed at constructing an alternative investment portfolio⁴¹;
- 10 class B units, subscribed by Gardant S.p.A., the parent company of the asset management company, in the total amount of 10 million euros.

The A and B units enjoy the same **economic rights**, except for the right of the B investor to an increase in the accrued income, by way of incentive, of 15% of the fund's return in excess of 3%, with effect from the fifth year and solely on the investments undertaken directly by the management company.

With reference to the **governance**, the Fund Rules provide that within the framework of the guidelines established, all powers relating to relevant decisions regarding management of the fund be irrevocably transferred to the management company, which may therefore operate in full autonomy, reserving only rights of a protective nature for the Bank, as the A investor.

Gardant Investor SGR is therefore granted full powers and authority in relation to the Fund's affairs and is responsible for the functions of management and control of the Fund's activities, in accordance with the terms and conditions set out in the Rules.

In particular, the management company may carry out all acts and enter into and perform all contracts and other undertakings that it deems necessary and has full power and discretion to exercise, in the name and on the account of the Fund, all rights and powers necessary or appropriate to achieving its purpose, including the right to bring civil suits connected to title to the Senior Notes.

The management company's Board of Directors, which does not include any representatives appointed by Banca Generali, is responsible for implementing the investment policy.

³⁹ These are off- or out-of-budget receivables, default interest not recognised by local health authorities that at the end of the debt acknowledgement process with negative outcome will need to be recovered from the transferors. Net of the longer recovery times, according to the inquiries made the transferors are all operational, solvent “entitled entities” with dealings with the General Government.

⁴⁰ The Fund's units were subscribed on 30 September 2021. On 1 October 2021, the management company then drew down its commitments for the subscription of the first 378 of the 490 units subscribed by Banca Generali with settlement date on 7 October 2021.

⁴¹ In particular, consideration for the remaining units subscribed were paid up for 17 million euros with a value date of 30 March 2022 and for 95 million euros with a value date of 5 December 2022.

As a result, having concluded that the Bank's rights are protective in nature, and not being it possible to attribute to the Bank the rights borne by the management company as irrevocably transferred to the latter and not merely delegated, it is believed that Banca Generali does not have the power and, therefore, despite the presence of a significant exposure to the fund's variability, does not exercise control over the Fund.

The fund, which has an initial duration of 15 years⁴², pursues the twofold goal of:

- › optimising the process of recovering the cash flows generated by the receivables, through the restructuring of maturities and better management of repayment of the underlying receivables and concurrent reinvestment of their proceeds;
- › managing a complex portfolio of alternative investments, also including infrastructure and corporate lending investments⁴³, up to a maximum investment of 550 million euros, in order to achieve an expected total return of between 2% and 4% over the life of the Fund.

At the end of 2025, the Fund's net assets amounted to 489.2 million euros and consisted of four classes of assets:

- › healthcare receivables underlying the securitisation vehicles, with a recoverable amount of 271.2 million euros and a fair value of 230.9 million euros;
- › investments in units of infrastructure funds with a fair value of 80.8 million euros;
- › corporate lending of 108.9 million euros; and
- › total cash of 68.6 million euros, of which 56.8 million euros invested in short-term European government bonds.

In view of the current macroeconomic scenario of severe economic and geopolitical uncertainty, the investment continues to be subject to possible revaluation effects due to the increase in interest rates and the ability of the asset management company to recover cash flows from the underlying healthcare receivables, according to the times and amounts (recovery rate) envisaged by the business plan.

With regard to the estimated FV of the notes with underlying healthcare receivables, a DCF model was applied on the basis of the flows estimated by the special servicer/the management company, discounted in light of their risk profile, at an average rate of approximately 5.2% (5.5% in 2024).

In light of the nature of the instrument, i.e., units of a closed-ended, unlisted (illiquid) mutual fund, and the mark-to-model valuation approach for determining fair value (FV), based on inputs that are not fully observable, it was assigned to Level 3 of the FV hierarchy.

Accordingly, a **sensitivity analysis** was conducted exclusively on healthcare receivables, assuming a change in the discount rate of +100 bps and a change in the collection of underlying receivables of -5%.

The analysis identified a decline of approximately 7 million euros in relation to the increase in discount rates (+100 bps) and a decrease of approximately 11.3 million euros in relation to a lower recovery of receivables (-5%).

At 31 December 2025, the fair value of the investment in the Forward Fund (490 of 500 total units) was estimated at 479.4 million euros (-6.3 million euros compared to the end of 2024), with a cumulative capital loss that therefore rose to 10.6 million compared to 4.2 million euros recognised at the end of 2024.

Section 2 – Market risks

The exposure to market risk is represented by the possibility to suffer losses due to variations in the value of a financial instrument or a portfolio of financial instruments associated with unexpected variations in market conditions (share prices, interest rates, exchange rates, the prices of goods and the volatility of risk factors).

The Bank monitors market risks with reference both to the banking book and the trading book. Specifically, in order to monitor this risk, the Chief Risk Office applies the regulatory method to the trading book, whilst as regards the interest rate risk of the banking book the Bank has adopted an IMS (Internal Measurement System) through full evaluation of all banking book items.

With regard to market risk management, the Bank has formally defined a Financial Portfolio Risk Management Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines on its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority. The Finance function conducts first-line management and monitoring of Banca Generali's exposure to market risk in accordance with predefined operating limits detailed in the Parent Company's Regulation on Limits and Escalation Process.

⁴² The Fund has an overall duration of 15 years, subject to extension by a maximum of two years, with a first investment period with a duration of 8 years and a management and collection period of 7 years.

⁴³ In particular, the Fund's investment policy calls for the cash flows from the repayment of the senior notes and the additional share of 120 million euros of the commitments entered into by the subscribers to be invested in:

- i) fundamental infrastructure funds and networks; and
- ii) lending activities to:
 - a) corporate lending with a focus on secured lending to Italian companies with adequate guarantees of cash generation not reclassified as non-performing and, possibly,
 - b) performing senior real estate lending with adequate guarantees (i.e., first-degree mortgage with advance level of up to 60% of the market value of the asset).

Second-line controls are a responsibility of the Chief Risk Office, as is the monitoring of operating limits aimed at maintaining a level of risk that is consistent with the strategies and risk appetite defined by the Board of Directors.

The Chief Audit Office conducts independent controls (third-line controls) on transactions undertaken by the functions involved in the management of market risk in accordance with the Parent Company's Internal Rules.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the market risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

The bond portfolio of the banking book is mainly invested in government securities, securities issued by domestic and international banks and, to only a lesser extent, in securities of corporate issuers and ABSs.

With a view to further strengthening the management and monitoring of the credit risk profile, the Bank has adopted a portfolio management policy that, in addition to the above-mentioned credit lines, provides, inter alia, for certain minimum and maximum investment limits on specific geographical-industry and rating clusters and minimum thresholds for investments in government securities or securities with a high credit standing. This framework also sets specific maximum maturity limits for investments in the proprietary bond portfolio and strict limitations on exposures to complex instruments or hard-to-value assets.

In addition, to complement its market risk analyses, the Bank performs scenario analyses by both exploiting the macroeconomic forecasts published by institutions and research centres and drawing on internal calculations and management tools.

The Bank's trading book maintained a negligible risk profile, also following the role of co-dealer bank in the issuance of Italian government securities (bond market-making) planned as of the first quarter of 2026 and governed by a framework of limits laid down in the Regulation on Limits and Escalation Process.

The portfolio's exposure to the equity market remains modest.

The Bank uses derivatives for hedge accounting purposes (e.g., Interest Rate Swaps), both in order to safeguard the banking book against adverse changes in the fair value of loans and interest margin caused by movements in rate curves, and to contain duration levels in view of changing trends in the proprietary portfolio.

The main objective of exchange rate operations is to contain open positions in foreign currencies. Regarding interest rate operations, the main objective is to align balance sheet assets and liabilities.

Banca Generali's securities in foreign currency are of marginal amounts.

2.1 Interest rate and price risk – Regulatory trading book

Qualitative information

A. General aspects

The exposure of the trading book is residual. However, it should be noted that bond market making activities are expected to be launched in the first quarter of 2026.

B. Management processes and interest rate and price risk measurement techniques

Given the Bank's bond market making activities envisaged in the Plan, a framework has been laid down for managing and measuring the related market risks, defined in the Regulation on Limits and Escalation Process and in the Financial Portfolio Risk Management Policy.

The model adopted by the Chief Risk Office to conduct the sensitivity analysis shown in the following table is based on the Fundamental Review of Trading Book rules:

- › on interest-rate risk: the possibility of calculating sensitivity according to a full-evaluation approach, based on shocks to the base risk-free curve in foreign currency;
- › on country risk: the possibility of calculating sensitivity according to a full-evaluation approach, based on shocks to loan/sector curves.

The sensitivities of the two components described above are calculated as a parallel shock of +100 bps on all nodes of the curve, with regard to both the interest-rate risk and country risk portions.

The following table shows the interest-rate risk sensitivity of the proprietary HTS portfolio at 31 December 2025:

(€ THOUSAND)	HTS
Interest-rate risk sensitivity	-135

Quantitative information

1. Regulatory trading book: breakdown by time-to-maturity (repricing date) of cash financial assets and liabilities and financial derivatives

TYPE/TIME-TO-MATURITY	DEMAND	UP TO 3 MONTHS	OVER 3 MONTHS, UP TO 6 MONTHS	OVER 6 MONTHS, UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS, UP TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Cash assets	-	3,049	-	-	65,601	-	1,407	-
1.1 Debt securities	-	3,049	-	-	65,601	-	1,407	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	3,049	-	-	65,601	-	1,407	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. Cash liabilities	-	-	-	-	68,384	-	1,339	-
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	68,384	-	1,339	-
3. Financial derivatives	-	90,078	-	20,748	-	-	-	-
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	90,078	-	20,748	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	90,078	-	20,748	-	-	-	-
+ long positions	-	45,039	-	10,374	-	-	-	-
+ short positions	-	45,039	-	10,374	-	-	-	-

2. Regulatory trading book: breakdown of exposures in equity securities and stock indices by main countries on the market of listing

Price risk consists of the risk that the fair value or future cash flows of a given financial instrument may fluctuate as a result of changes in market prices (other than changes triggered by **interest-rate risk** or **exchange-rate risk**), regardless of whether such changes are the result of factors specific to the instrument or issuer in question, or are due to factors that influence all similar financial instruments traded on the market.

Price risk arises mainly as a result of the trading of equity instruments such as shares, stock-index and/or stock futures, stock-index and/or stock options, warrants, covered warrants, option rights, etc. and in relation to UCITS units held in the portfolio.

However, the Bank's exposure to this risk is negligible given the limited weight of such securities in its portfolio of HFT financial assets.

TYPE OF TRANSACTION/INDEX	LISTED				NOT LISTED
	ITALY	USA	GERMANY	OTHER	
A. Equity securities	-	-	21	2	1
– long positions	-	-	21	2	1
– short positions	-	-	-	-	-
B. Equity security purchases/sales to be settled	-	-	-	-	-
– long positions	-	-	-	-	-
– short positions	-	-	-	-	-
C. Other derivatives on equity securities	-	-	-	-	-
– long positions	-	-	-	-	-
– short positions	-	-	-	-	-
D. Stock-index derivatives	-	-	-	-	-
– long positions	-	-	-	-	-
– short positions	-	-	-	-	-

3. Regulatory trading book: internal models and other methods of sensitivity analysis

Sensitivity analysis was also employed to assess the market risks originating in the trading book.

This sort of analysis quantifies the change in the value of a financial portfolio as a result of variation in the primarily risk factors, which for Banca Generali are interest-rate and price risk.

In calculating interest-rate risk, the analysis assumed a parallel, uniform shift of +100/-100 basis points in the rate curve.

The next stage involves establishing the potential effects on the profit and loss account both in terms of the actual change in the fair value of the portfolio under analysis at the reporting date and the change in the net interest income for the current year.

In calculating the price risk associated with equities, a 10% change in market prices was considered. On this basis, the actual impact of such a change on the current equities portfolio was then determined.

On the whole, a change in market prices of +10%/-10% would result in the recognition through profit or nearly no capital gains/losses on the trading book, consisting mainly of equity securities.

A change in interest rates of +100/-100 basis points would also have a modest effect on the fair value of the debt securities trading book.

(€ THOUSAND)	HTS
FV equity delta (+10%)	+59
FV equity delta (-10%)	-59
FV bonds delta (+1%)	-85
FV bonds delta (-1%)	+85

2.2 Interest rate and price risk – Banking book

Qualitative information

A. General aspects and interest rate and price risk management processes and measurement techniques

The interest rate risk to which the banking book is exposed consists of the risk of incurring losses due to potential fluctuations in interest rates.

This risk is generated by the gaps between the maturities and time required to reset the interest rate on the Bank's assets and liabilities. Where such gaps are present, fluctuations in interest rates result in variations of net income, and therefore projected profit, as well as variations in the market value of the assets and liabilities, and, in turn, the value of net equity.

With regard to the management of the interest rate risk of the banking book, the Bank has formally defined a Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines on its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The Finance function and the Credit function conduct first-line controls on the management of interest rate risk.

The Chief Risk Office is responsible for second-line controls with the aim of conducting specific independent measurement, control and monitoring of the interest rate risk to which the banking book is exposed. It is also responsible for updating the models and metrics, including on the basis of analyses of legal requirements, market best practices and the contributions of the business functions involved (and the Finance Department in particular).

The Chief Audit Office is responsible for third-line controls on lending and funding activities.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the management and control system for interest rate risk in the banking book and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

During the year, the Bank monitored its interest rate risk profile by applying its control framework, checking the exposure against the limits approved by the Board of Directors upon approval of the Risk Appetite Framework. Containment of the risk to changes in interest rates is also based on monitoring of the duration of the Bank's proprietary portfolio or on stress tests that aim to identify in advance significant sources of risk upon the occurrence of adverse situations.

In line with Supervisory Provisions, the Bank also determines the exposure to interest rate risk of the banking book by reference to net interest income or expected profits.

During 2025, the Group continued to enhance its advanced tools for monitoring interest rate risk, which increased the efficiency of the processes of risk data processing and reporting, final and forward-looking risk analytics calculation and detailed analysis of specific financial statement items (e.g., current accounts) in support of the business and/or commercial actions.

Most of the interest rate risk in the Bank's banking book arises from:

- › trading on the collateralised deposits market (REPOs);
- › customer lending activities; and
- › investing activities regarding the debt securities portfolio held as treasury investment, which can cause a mismatch in the repricing dates and currencies of assets compared to those of liabilities associated with funding activities, with a negative impact on the Group's objectives in terms of net interest income.

B. Fair value and cash flow hedging

The Bank currently uses fair value and cash flow hedging strategies to contain the interest rate risk on the banking book. These strategies are formulated according to the Bank's risk appetite and are designed to keep the banking book's duration within the established limits by using hedging derivative instruments such as interest rate swaps, also useful for a more efficient internal ALM.

In particular, by establishing micro FVH relationships, the Bank seeks to stabilise the fair value of the bond in respect of changes in interest rates and to decrease the duration of the hedged bond.

All derivative instruments are designated as hedges against the specific risk hedged, as identified for each hedging relationship and pursuant to IFRS 9.

In addition, as part of its ALM management, the Bank has entered into macro fair value hedges to modelled demand deposit liabilities so as to stabilise their fair value and manage their duration. These hedges were executed to ensure thorough management of the delta EVE and NII limits for calculating the interest rate risk in the banking book (IRRBB).

Quantitative information

1. Banking book: breakdown by time-to-maturity (by repricing date) of financial assets and liabilities

TYPE/TIME-TO-MATURITY	DEMAND	UP TO 3 MONTHS	OVER 3 MONTHS, UP TO 6 MONTHS	OVER 6 MONTHS, UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS, UP TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Cash assets	3,240,018	1,219,669	2,341,279	2,619,409	4,654,937	1,735,151	397,943	-
1.1 Debt securities	-	868,167	2,090,426	2,517,738	4,647,563	1,710,461	396,888	-
- with early repayment option	-	128,249	39,545	48,460	59,985	134,570	3,801	-
- other	-	739,918	2,050,881	2,469,278	4,587,578	1,575,891	393,087	-
1.2 Loans to banks	504,463	321,816	249,952	99,983	-	-	-	-
1.3 Loans to customers	2,735,555	29,686	901	1,688	7,374	24,690	1,055	-
- current accounts	1,988,355	17	40	49	75	-	-	-
- other loans	747,200	29,669	861	1,639	7,299	24,690	1,055	-
- with early repayment option	488,138	349	146	277	3,474	839	1,055	-
- other	259,062	29,320	715	1,363	3,824	23,851	-	-
2. Cash liabilities	14,152,101	1,520,648	159	100,432	60,043	-	-	-
2.1 Due to customers	14,078,189	1,334,704	159	432	60,043	-	-	-
- current accounts	13,639,056	129	159	432	60,043	-	-	-
- other debts	439,133	1,334,575	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	439,133	1,334,575	-	-	-	-	-	-
2.2 Due to banks	73,831	185,944	-	-	-	-	-	-
- current accounts	60,379	-	-	-	-	-	-	-
- other debts	13,452	185,944	-	-	-	-	-	-
2.3 Debt securities	81	-	-	100,000	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	81	-	-	100,000	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives	10,000	8,149,900	5,904,737	1,710,000	4,074,559	841,900	376,000	-
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	10,000	8,149,900	5,904,737	1,710,000	4,074,559	841,900	376,000	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	10,000	8,149,900	5,904,737	1,710,000	4,074,559	841,900	376,000	-
+ long positions	10,000	2,584,900	3,804,049	1,477,000	2,658,159	-	-	-
+ short positions	-	5,565,000	2,100,688	233,000	1,416,400	841,900	376,000	-
4. Other off-balance sheet transactions	1,624,245	1,620,695	-	-	-	-	-	-
+ long positions	1,566,883	55,587	-	-	-	-	-	-
+ short positions	57,362	1,565,108	-	-	-	-	-	-

2. Banking book: internal models and other methods of sensitivity analysis

The sensitivity analysis was conducted only for the interest rate risk component also for the banking book, with regard to the portfolio of financial assets measured at fair value through other comprehensive income, the portfolio of financial assets measured at amortised cost, and the portfolio of loans to customers and banks.

As regards the price risk, a shock of +100/-100 basis points would yield a change in the valuation reserves on debt securities in the HTCS category of -24.1/+24.1 million euros, gross of the tax effect.

The fair value delta component associated with the government bonds in the HTCS portfolio would amount to -23.3/+23.3 million euros as a result of the hypothesised shift in the rate curve, or about 97% of the fair value delta of the entire HTCS bond portfolio.

To provide a complete information, the following table shows the effect of a similar price shock in the fair value of portfolios recognised at amortised cost.

(€ THOUSAND)	HTCS	HTC	LOANS ^(*)	TOTAL
FV bonds delta (+1%)	-24,113	-125,251	-12,948	-162,312
– of which: government bonds	-23,291	-88,475	-	-111,766
FV bonds delta (-1%)	24,113	125,251	17,122	166,486
– of which: government bonds	23,291	88,475	-	111,766

(*) Loans to banks and Loans to customers.

The same criteria were also applied to a sensitivity analysis of net interest income of the entire banking book. It resulted in a potential impact on the Profit and Loss Account of +11.5 million euros, gross of the tax effect, in case of increase in interest rates by 1%, and -11.4 million euros in case of decrease by the same amount.

(€ THOUSAND)	ASSETS	LIABILITIES	NET
Net interest income delta (+1%) ^(*)	36,690	-25,169	11,521
Net interest income delta (-1%) ^(*)	-36,664	25,284	-11,380

(*) Sensitivity analysis calculated using a constant balance sheet, considering current funding pricing conditions.

2.3 Exchange rate risk

Qualitative information

A. General aspects and exchange rate risk management processes and measurement techniques

Exchange rate risk is the possibility of incurring losses due to adverse fluctuations in the value of foreign currencies on all positions held by the Bank, regardless of the portfolio to which they have been allocated.

With regard to exchange rate risk management, the Group has formally defined a Financial Portfolio Risk Management Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The Finance department performs first-line controls of exchange rate risk management.

The Chief Risk Office is responsible for second-line controls with the aim of conducting specific independent measurement, control and monitoring of the exchange rate risk.

The Chief Audit Office is responsible for third-line controls on lending and funding activities in foreign currency.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the exchange rate risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Risk Management Department.

Most of the exchange rate risk arises from:

- › trading of securities and other financial assets in foreign currency;
- › interest to be collected and/or paid, reimbursements, fees or dividends in foreign currency;
- › bank transfers in foreign currency to customers (institutional and retail customers);
- › currency trading on behalf of customers.

The main objective of exchange rate operations is to contain open positions in foreign currencies, as limited to currency account currencies.

Exchange rate risk is mitigated through funding activities in the same currency as that of lending transactions.

Quantitative information**1. Breakdown by currency of denomination of assets, liabilities and derivatives**

ITEMS	CURRENCIES						
	US DOLLAR	POUND STERLING	JAPANESE YEN	CANADIAN DOLLAR	SWISS FRANC	AUSTRALIAN DOLLAR	OTHER CURRENCIES
A. Financial assets	138,337	12,345	386	4,989	10,408	1,429	1,590
A.1 Debt securities	65,272	-	-	-	7,530	-	-
A.2 Equity securities	7,301	23	-	-	-	-	1
A.3 Loans to banks	65,761	12,321	386	4,989	1,545	1,429	1,588
A.4 Loans to customers	3	1	-	-	1,333	-	1
A.5 Other financial assets	-	-	-	-	-	-	-
B. Other assets	-	-	-	-	-	-	-
C. Financial liabilities	120,626	12,060	531	5,219	10,225	1,231	778
C.1 Due to banks	-	-	-	-	262	-	167
C.2 Due to customers	120,626	12,060	531	5,219	9,963	1,231	611
C.3 Debt securities	-	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-	-
D. Other liabilities	-	-	-	-	-	-	-
E. Financial derivatives	-8,933	-141	434	-	-16	-2	-2
- Options	-	-	-	-	-	-	-
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-
- Other derivatives	-8,933	-141	434	-	-16	-2	-2
- long positions	19,686	5,522	450	24	1,281	13	659
- short positions	28,619	5,663	16	24	1,297	15	661
Total assets	158,023	17,867	836	5,013	11,689	1,442	2,249
Total liabilities	149,245	17,723	547	5,243	11,522	1,246	1,439
Excess	8,778	144	289	-230	167	196	810

2. Internal models and other methods of sensitivity analysis

The sensitivity analysis discussed in the foregoing section has been also conducted on assets and liabilities denominated in currencies other than the euro, regardless of the portfolio to which they have been allocated.

A shock of +10%/-10% on equity instruments denominated in currencies other than the euro would have an effect on the fair value of approximately +1.2/-1.2 million euros, whereas a shock of +100/-100 bps in rates would have an effect on the fair value of debt securities and assets other than equity instruments in foreign currency of -334/+334 thousand euros, gross of the tax effect.

(€ THOUSAND)	ASSETS
FV equity delta (+10%)	1,200
FV equity delta (-10%)	-1,200
FV non-equity delta (+1%)	-334
FV non-equity delta (-1%)	+334

By contrast, an interest rate movement of +100/-100 bps would have an effect of +1/-1 million euros on the flow of interest on assets and liabilities denominated in currencies other than the euro.

(€ THOUSAND)	TOTAL ITEMS
Net interest income delta (+1%)	+1,042
Net interest income delta (-1%)	-1,048

Section 3 – Derivatives and Hedging Policies

3.1 Trading derivatives

A. Financial derivatives

A.1 HFT financial derivatives: notional values at year-end

UNDERLYING ASSETS/ TYPE OF DERIVATIVES	31.12.2025				31.12.2024			
	OVER THE COUNTER				OVER THE COUNTER			
	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS
	CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS		CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	
1. Debt securities and interest rates	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and stock indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	-	5,187	5,187	-	-	5,892	5,892	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	5,187	5,187	-	-	5,892	5,892	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Goods	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
Total	-	5,187	5,187	-	-	5,892	5,892	-

A.2 HFT financial derivatives: positive and negative gross fair value – breakdown by products

TYPE OF DERIVATIVES	31.12.2025				31.12.2024			
	OVER THE COUNTER				OVER THE COUNTER			
	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS
	CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS		CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	
1. Positive fair value								
a) Options	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	80	-	-	-	-	111	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	-	80	-	-	-	-	111	-
1. Negative fair value								
a) Options	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	78	-	-	109	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	-	-	78	-	-	109	-	-

A.3 OTC HFT financial derivatives: breakdown of notional values and positive and negative gross fair value by counterparties

UNDERLYING ASSETS	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL CORPORATIONS	OTHER ENTITIES
Contracts other than netting arrangements				
1) Debt securities and interest rates				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
2) Equity securities and stock indices				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
3) Currencies and gold				
– notional value	X	-	-	5,187
– positive fair value	X	-	-	-
– negative fair value	X	-	-	78
4) Goods				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
5) Other				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
Contracts within the scope of netting arrangements				
1) Debt securities and interest rates				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
2) Equity securities and stock indices				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
3) Currencies and gold				
– notional value	-	5,186	-	-
– positive fair value	-	80	-	-
– negative fair value	-	-	-	-
4) Goods				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
5) Other				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-

A.4 Time-to-maturity of OTC HFT financial derivatives: notional values

UNDERLYING ASSETS/RESIDUAL LIFE	UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivatives on debt securities and interest rates	-	-	-	-
A.2 Financial derivatives on equity securities and stock indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	10,374	-	-	10,374
A.4 Financial derivatives on goods	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total at 31.12.2025	10,374	-	-	10,374
Total at 31.12.2024	11,783	-	-	11,783

3.2 Hedging instruments

Qualitative information

A. Fair value hedging

Fair value hedging is aimed at hedging the banking book from changes in fair value of net inflows and loans that is attributable to the fluctuation of the interest rate and exchange rate curve. The Bank adopts both micro fair value hedges and macro fair value hedges:

- › **micro fair value hedge of fixed-rate debt securities:** these securities are allocated to the debt securities portfolios measured at amortised cost and at fair value through other comprehensive income. Hedging is implemented using IRS derivatives;
- › **micro fair value hedges of fixed-rate currency debt securities:** these securities are allocated to the debt securities portfolios measured at amortised cost and at fair value through other comprehensive income. Hedging is implemented using CCS derivatives;
- › **macro fair value hedges:** macro fair value hedge is applied to a portfolio of demand deposit liabilities (core deposits) using IRS contracts. This type of hedge aims to mitigate fair value fluctuations attributable to interest rate risk.

B. Cash flow hedging

Cash flow hedging is intended to hedge the exposure to variability in future cash flows that is attributable to the fluctuation of the interest rate curve. To date, only the following type of hedges is used:

- › **cash flow hedges of variable-rate debt securities:** this type of hedge is applied to variable-rate debt securities arising from pre-existing fair value hedges (asset swaps), using IRS derivatives.

C. Hedging instruments

Hedging against exposure to interest rate risk, whether in the form of fair value hedges and cash flow hedges, mainly uses IRS derivatives (interest rate swap).

Exchange rate risk is hedged using CCS (cross currency swap) derivatives.

The Bank applies the dollar-offset methods to assess hedge effectiveness. This method compares the cumulative changes in the fair value of the hedging instrument with those of the hedged item.

Any failure in the model used by the Bank to assess hedge effectiveness may be mainly attributable to the following phenomena:

- › any mismatch between the notional amount of the derivative and the underlying hedged item recognised at the time of the initial designation or generated thereafter;
- › application of different curves to the hedging derivative and the hedged item for the purpose of performing the effectiveness test on fair value hedges. Derivatives, which are normally collateralised or centrally-cleared, are discounted using the overnight curve, while hedged items are discounted using the benchmark curve of the hedging instrument;
- › with regard to fair value hedges, inclusion in the effectiveness test of the value of the variable interest rate cash flows of the hedging derivative.

D. Hedged items

The main types of hedged items include:

- › fixed-rate debt securities allocated to the portfolio of financial assets measured at amortised cost and, to a lesser extent, to the portfolio of financial assets measured at fair value through other comprehensive income (OCI);
- › aggregate transactions consisting of variable-rate debt securities resulting from previous fair value hedge transactions (asset swaps);
- › modelled stable demand deposits (core deposits).

The proprietary portfolio managed by the Bank includes hedging derivatives entered into both through a central counterparty (CCP) clearing house and on a bilateral basis under a CSA, affected by the benchmark interest rate reform introduced by Regulation (EU) No. 34 of 15 January 2020.

For such contracts, which normally call for the use of Eonia rates, the transition to the new overnight rate, €STR, was therefore completed in 2021.

Since 1 September 2022, concurrently with the parent company, Assicurazioni Generali, the Bank has been subject to an obligation to apply all risk mitigation techniques mandated by the EMIR Regulation in reference to contracts not subject to clearing through central counterparties. Specifically, the Bank entered into contracts for the exchange of collateral to hedge the initial margins in OTC derivatives with each counterparty, indicating Euroclear as the Triparty Agent with which to segregate the securities hedging the exposure. The Bank has also adopted ACADIA software for calculating the initial margins of existing positions, with daily monitoring of both observance of regulatory thresholds and covering margin calls.

Quantitative information

A. Hedging financial derivatives

A.1 Hedging financial derivatives: notional values at year-end

UNDERLYING ASSETS/ TYPE OF DERIVATIVES	31.12.2025				31.12.2024			
	OVER THE COUNTER				OVER THE COUNTER			
	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS	WITHOUT CENTRAL COUNTERPARTIES			ORGANISED MARKETS
	CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS		CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	
1. Debt securities and interest rates	- 10,618,959	-	-	-	- 7,201,659	-	-	-
a) Options	- 103,000	-	-	-	-	-	-	-
b) Swaps	- 10,515,959	-	-	-	- 7,201,659	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and stock indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	- 8,515	-	-	-	- 9,656	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	- 8,515	-	-	-	- 9,656	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Goods	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
Total	- 10,627,474	-	-	-	- 7,211,315	-	-	-

A.2 Hedging financial derivatives: positive and negative gross fair value - breakdown by products

TYPE OF DERIVATIVES	POSITIVE AND NEGATIVE FAIR VALUE								CHANGE IN VALUE USED TO MEASURE THE HEDGE INEFFECTIVENESS	
	31.12.2025				31.12.2024					
	WITHOUT CENTRAL COUNTERPARTIES				WITHOUT CENTRAL COUNTERPARTIES					
	CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	ORGANISED MARKETS	CENTRAL COUNTER- PARTIES	WITH NETTING ARRANGE- MENTS	WITHOUT NETTING ARRANGE- MENTS	ORGANISED MARKETS		
									31.12.2025	31.12.2024
1. Positive fair value										
a) Options	-	388	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	152,547	-	-	-	131,220	-	-	-	-
c) Cross currency swaps	-	528	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	-	153,463	-	-	-	131,220	-	-	-	-
2. Negative fair value										
a) Options	-	716	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	188,268	-	-	-	176,364	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	583	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	-	188,984	-	-	-	176,947	-	-	-	-

A.3 OTC hedging financial derivatives: breakdown of notional values and positive and negative gross fair value by counterparties

UNDERLYING ASSETS	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL CORPORATIONS	OTHER ENTITIES
Contracts other than netting arrangements				
1) Debt securities and interest rates				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
2) Equity securities and stock indices				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
3) Currencies and gold				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
4) Goods				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
5) Other				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
Contracts within the scope of netting arrangements				
1) Debt securities and interest rates				
– notional value	-	10,548,959	70,000	-
– positive fair value	-	152,263	672	-
– negative fair value	-	188,760	224	-
2) Equity securities and stock indices				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
3) Currencies and gold				
– notional value	-	8,515	-	-
– positive fair value	-	528	-	-
– negative fair value	-	-	-	-
4) Goods				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
5) Other				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-

A.4 Time-to-maturity of OTC hedging financial derivatives: notional values

UNDERLYING ASSETS/RESIDUAL LIFE	UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A.1 Financial derivatives on debt securities and interest rates	3,870,500	5,277,559	1,470,900	10,618,959
A.2 Financial derivatives on equity securities and stock indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	8,515	-	-	8,515
A.4 Financial derivatives on goods	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total at 31.12.2025	3,879,015	5,277,559	1,470,900	10,627,474
Total at 31.12.2024	1,065,000	4,132,215	2,014,100	7,211,315

D. Hedged instruments**D.1 Fair value hedging**

	MICRO HEDGES: CARRYING AMOUNT	MICRO HEDGES – NET POSITIONS: CARRYING AMOUNT OF ASSETS OR LIABILITIES (BEFORE NETTING)	CUMULATIVE FAIR VALUE CHANGES OF THE HEDGED INSTRUMENT	MICRO HEDGES DISCONTINUATION: RESIDUAL CUMULATIVE FAIR VALUE CHANGES	HEDGE RESIDUAL USED TO MEASURE CHANGE IN VALUE OF THE HEDGE INEFFECTIVENESS	MACRO HEDGES: CARRYING AMOUNT
A. Assets						
1. Financial assets measured at fair value through other comprehensive income – hedging of:	111,513	-	91	-	-	-
1.1 Debt securities and interest rates	111,513	-	91	-	-	X
1.2 Equity securities and stock indices	-	-	-	-	-	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
2. Financial assets at amortised cost – hedging of:	4,527,339	-	-74,696	-	-	-
1.1 Debt securities and interest rates	4,518,803	-	-73,536	-	-	X
1.2 Equity securities and stock indices	-	-	-	-	-	X
1.3 Currencies and gold	8,536	-	-1,160	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
Total at 31.12.2025	4,638,852	-	-74,605	-	-	-
Total at 31.12.2024	4,701,403	-	-17,147	-	-	-
B. Liabilities						
1. Financial liabilities measured at amortised cost – hedging of:	-	-	-	-	-	4,797
1.1 Debt securities and interest rates	-	-	-	-	-	X
1.2 Currencies and gold	-	-	-	-	-	X
1.3 Other	-	-	-	-	-	X
Total at 31.12.2025	-	-	-	-	-	4,797
Total at 31.12.2024	-	-	-	-	-	-2,142

D.2 Cash flow hedges and hedges of a net investment in a foreign operation

	CHANGE IN VALUE USED TO MEASURE THE HEDGE INEFFECTIVENESS	HEDGING RESERVE	HEDGE DISCONTINUATION: RESIDUAL VALUE OF HEDGING RESERVE
A. Cash flow hedges			
1. Assets	-	2,279	-
1.1 Debt securities and interest rates	-	2,279	-
1.2 Equity securities and stock indices	-	-	-
1.3 Currencies and gold	-	-	-
1.4 Loans	-	-	-
1.5 Other	-	-	-
2. Liabilities	-	-	-
1.1 Debt securities and interest rates	-	-	-
1.2 Currencies and gold	-	-	-
1.3 Other	-	-	-
Total at 31.12.2025	-	2,279	-
Total at 31.12.2024	-	4,703	-
B. Hedges of a net investment in a foreign operation	X	-	-
Total (A + B) 31.12.2025	-	2,279	-
Total (A + B) 31.12.2024	-	4,703	-

E. Effects of hedging transactions on net equity**E.1 Reconciliation of net equity components**

	CASH-FLOW HEDGE RESERVE					RESERVE OF HEDGES OF A NET INVESTMENT IN A FOREIGN OPERATION					
	DEBT SECURITIES AND INTEREST RATES	EQUITY SECURITIES AND STOCK INDICES	CURRENCIES AND GOLD	LOANS	OTHER	DEBT SECURITIES AND INTEREST RATES	EQUITY SECURITIES AND STOCK INDICES	CURRENCIES AND GOLD	LOANS	OTHER	
Amount at year-start	4,703	-	-	-	-	-	-	-	-	-	
Fair value changes (effective portion)	-3,573	-	-	-	-	-	-	-	-	-	
Transfer to Profit and Loss Account	-	-	-	-	-	-	-	-	-	-	
of which: future transactions no longer expected	-	-	-	X	X	X	X	X	X	X	
Other changes	1,149	-	-	-	-	-	-	-	-	-	
of which: transfer to the initial carrying amount of the hedged instruments	-	-	-	X	X	X	X	X	X	X	
Amount at year-end	2,279	-	-	-	-	-	-	-	-	-	

3.3 Other information on derivatives held for trading and for hedging

A. Financial and credit derivatives

A.1 OTC financial and credit derivatives: breakdown of net fair value by counterparties

	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL CORPORATIONS	OTHER ENTITIES
A. Financial derivatives				
1) Debt securities and interest rates				
– notional value	-	10,548,959	70,000	-
– positive fair value	-	152,263	672	-
– negative fair value	-	188,760	224	-
2) Equity securities and stock indices				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
3) Currencies and gold				
– notional value	-	13,701	-	5,187
– positive fair value	-	608	-	-
– negative fair value	-	-	-	78
4) Goods				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
5) Other				
– notional value	-	-	-	-
– positive fair value	-	-	-	-
– negative fair value	-	-	-	-
B. Credit derivatives				
1) Purchase and protection				
– notional value	-	-	-	-
– positive net fair value	-	-	-	-
– negative net fair value	-	-	-	-
2) Sale and protection				
– notional value	-	-	-	-
– positive net fair value	-	-	-	-
– negative net fair value	-	-	-	-

Section 4 – Liquidity risk

Qualitative information

A. General aspects and liquidity risk management processes and measurement techniques

Exposure to liquidity risk derives from funding and lending transactions in the course of the Bank's ordinary business, as well as from the presence of unlisted financial instruments in its proprietary portfolios. Such risk takes the form of default on payment obligations, which may be caused by an inability to raise funds (funding liquidity risk) or the existence of limits on the divestment of assets (market liquidity risk). Liquidity risk also includes the risk that an entity may be forced to meet its own payment obligations at non-market costs, that is to say while incurring a high cost of funding or (and in some cases concurrently) sustaining capital losses when divesting assets.

The structure of the liquidity risk management system is intended to ensure sound and prudent management of liquidity and liquidity risk and pursues the following goals:

- › ensuring that the Bank remains solvent in both the ordinary course of business and crisis conditions;
- › complying with instructions from the Supervisory Authority and the guidelines on banking supervision issued by the various international authorities, while also taking account of the specificity of the Bank's business;
- › maintaining a liquidity profile that is consistent with the risk tolerance statements issued by its administrative bodies;
- › ensuring liquidity levels capable of allowing the Group to fulfil its contractual commitments at any times, maximising the cost of funding with respect to current and forecast market conditions.

In particular, the liquidity risk management and monitoring policy implemented by the Group at the consolidated level is in turn divided into:

- › managing **operating liquidity** risk, i.e., events that affect the Group's liquidity position on the short-term time horizon, with the primary objective of maintaining the Group's capacity to meet its ordinary and extraordinary payment obligations, while minimising the related costs;
- › managing **structural liquidity** risk, i.e., all events that affect the Group's liquidity position, including in the medium/long term, with the primary objective of maintaining an adequate relationship between liabilities and assets on the various time horizons. In particular, the management of structural liquidity allows to avoid pressure on current and prospective sources of liquidity and to optimise the cost of funding.

Both risk profiles are measured on a going concern basis and in stress scenarios and are analysed from a current and a prospective standpoint (forward looking).

With regard to liquidity risk management, the Bank has formally defined a policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The Finance function is responsible for first-line controls and managing treasury and proprietary investment cash flows with the aim of ensuring thorough diversification of sources of financing and monitoring cash flows and daily liquidity. Liquidity needs are primarily managed through recourse to the money market (interbank deposits and repurchase agreements) and, to a secondary degree, where available, through the measures proposed by the ECB. The funding structure is mainly focused on net inflows from retail customers, which are characterised by a stable performance, and on institutional sources of funding. In addition, the Group maintains a portfolio of listed, highly liquid financial instruments (high quality liquid assets) in order to respond to potential crisis scenarios characterised by a sudden interruption of net inflows.

The Chief Risk Office is responsible for second-line controls. Liquidity risk is managed within appropriate short-term and structural (beyond one year) limits, monitored by the said function, assuming that financial markets will either continue to function normally or in conditions of particular stress, so as to ensure that the risk level expressed is consistent with the strategies and risk appetite established by the Board of Directors.

The Chief Audit Office is responsible for third-line controls on lending and funding activities.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the liquidity risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

Moreover, the Group has a Contingency Funding Plan in order to ensure the orderly management of any systemic and idiosyncratic liquidity crises, the safeguarding of the Bank's assets and a guarantee of business continuity. This Plan detects, through early warning monitoring, any signs of liquidity tension and identifies the actions or tools to be activated. On an annual basis, the Bank also initiates and prepares a self-assessment on liquidity risk management during the ILAAP process, providing the results to the supervisory authorities.

The liquidity risk is also monitored using a maturity ladder designed on the basis of the guidelines set out in the prudential supervisory provisions governing the measurement of net financial position. Through the maturity ladder, the Bank assesses the matching of expected cash flows, by balancing assets and liabilities whose maturity falls within each maturity range; the balances and therefore the mismatches between expected inflows and outflows within each maturity range allow, through the construction of cumulative mismatches, the calculation of the net balance of funding requirement (or surplus) over the holding period considered.

The Bank's LCR at 31 December 2025 amounted to 328%, far in excess of the current mandatory minimum level, thanks to high quality liquid assets (HQLAs) of approximately 9.8 billion euros, primarily Italian government bonds, offsetting the estimated net cash outflows in the following 30 days.

During the year, the structural regulatory indicator (Net Stable Funding Ratio) also remained consistently above the established limits, amounting to 244% as at 31 December 2025, owing to long-term stable funding in excess of the on-balance sheet assets requiring such long-term stable funding.

As a participant in payment, settlement and netting systems, the Group is exposed to intraday liquidity risk due to a mismatch in the timing of daily payment inflows and outflows, which may in turn give rise to potentially large temporary imbalances than expected at the end of the day.

Intraday liquidity management is the responsibility of the Treasury and Portfolio Management Service and seeks to ensure that available liquidity is constantly sufficient to cover cash outflows. The Risk Management Department is responsible for ex-post second-line controls.

Structural liquidity risk is also measured by adopting Additional Liquidity Monitoring Metrics (pursuant to Article 415, paragraph 3(b), of Regulation (EU) No. 575/2013), involving an analysis of the concentration of borrowings by counterparty and product type. These analyses enable a more complete vision of the liquidity risk profile, providing the level of diversification of sources of funding in the wholesale and retail markets in order to emphasise excessive dependency on individual product types, which could be subject to severe outflows during a liquidity crisis.

In the year, the Bank constantly monitored its short- and long-term liquidity profile through the application of its control framework, ensuring prudent and sound management.

Quantitative information**Breakdown of financial assets and liabilities by time to contractual maturity**

ITEM/TIME-TO-MATURITY	DEMAND	OVER 1 DAY, UP TO 7 DAYS	OVER 7 DAYS, UP TO 15 DAYS	OVER 15 DAYS, UP TO 1 MONTH	OVER 1 MONTH, UP TO 3 MONTHS	OVER 3 MONTHS UP TO 6 MONTHS	OVER 6 MONTHS, UP TO 1 YEAR	OVER 1 YEAR, UP TO 5 YEARS	OVER 5 YEARS	UNSPECIFIED MATURITY
A. Cash assets										
A.1 Government securities	-	300	6,537	393,150	64,246	528,821	2,179,652	4,797,965	1,721,069	-
A.2 Other debt securities	2,500	277	34,311	4,853	30,776	63,090	211,586	1,566,879	809,871	-
A.3 UCITS units	480,524	-	-	-	-	-	-	-	-	-
A.4 Financing	2,753,995	92,199	11,947	55	147,922	281,346	147,505	226,002	200,328	128,547
– to banks	504,554	62,920	-	23	130,375	250,000	100,000	-	-	128,547
– to customers	2,249,441	29,280	11,947	32	17,547	31,346	47,505	226,002	200,328	-
Total	3,237,019	92,776	52,795	398,058	242,944	873,257	2,538,743	6,590,846	2,731,268	128,547
B. Cash liabilities										
B.1 Deposits and current accounts	13,698,967	129	-	-	-	159	2,832	60,043	-	-
– from banks	60,734	-	-	-	-	-	-	-	-	-
– from customers	13,638,233	129	-	-	-	159	2,832	60,043	-	-
B.2 Debt securities	81	-	-	-	-	-	-	100,000	-	-
B.3 Other liabilities	455,857	1,088,404	150,858	60,024	221,233	-	-	68,474	1,337	-
Total	14,154,905	1,088,533	150,858	60,024	221,233	159	2,832	228,517	1,337	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap	-	90,082	-	-	-	17,833	20,746	-	-	-
– long positions	-	45,041	-	-	-	9,074	10,373	-	-	-
– short positions	-	45,041	-	-	-	8,759	10,373	-	-	-
C.2 Financial derivatives without capital swap	-	1,258	867	3,893	9,899	36,436	51,675	-	-	-
– long positions	-	1,258	88	2,222	7,080	31,922	36,352	-	-	-
– short positions	-	-	779	1,671	2,819	4,514	15,323	-	-	-
C.3 Deposits and loans receivable	1,565,108	1,565,108	-	-	-	-	-	-	-	-
– long positions	1,565,108	-	-	-	-	-	-	-	-	-
– short positions	-	1,565,108	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds	57,362	55,587	-	-	-	-	-	-	1,775	-
– long positions	-	55,587	-	-	-	-	-	-	1,775	-
– short positions	57,362	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	21,717	-	-	-	-	3,104	5,759	16,583	1,701	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with capital swap	-	-	-	-	-	-	-	-	-	-
– long positions	-	-	-	-	-	-	-	-	-	-
– short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without capital swap	-	-	-	-	-	-	-	-	-	-
– long positions	-	-	-	-	-	-	-	-	-	-
– short positions	-	-	-	-	-	-	-	-	-	-
Total	1,644,187	1,712,035	867	3,893	9,899	57,373	78,180	16,583	3,476	-

Section 5 – Operational risks

Qualitative information

A. General aspects and operational risk management processes and measurement techniques

The exposure to operational risks is closely linked to the type and volume of business conducted, as well as the operating procedures implemented. In detail, the operations undertaken (primarily management of third-party assets and the distribution of the Group's own and third-party investment products), the use of information technology systems, the definition of operating procedures, interaction with parties protected by the law, the commercial structure adopted (chiefly Financial Advisors) and the direct involvement of all employed personnel in operations structurally expose the Group to operational risk, which is defined as the possibility of sustaining financial losses deriving from the inadequacy or improper functioning of procedures, human resources, internal systems or external events. This type of risk includes, inter alia, losses due to fraud, human error, interruptions of operations, unavailability of systems, breach of contract, natural disasters and legal risk.

With regard to operational risk management, the Bank has formally defined an Operational Risk Management Policy, which specifies the general principles, the roles of the corporate bodies and functions involved in risk management, the Group's risk management guidelines in accordance with its business model, the risk appetite, the system of delegated powers established by the Board of Directors, the internal control system in force from time to time, and the instructions of the Supervisory Authority.

The functions dealing with Organisation, IT Management and Security guarantee the efficient functioning of application procedures and information systems that support organisational processes. They also evaluate the physical and logical security conditions within the Bank and, if necessary, implement measures to guarantee a higher general level of security.

The Chief Risk Office carries out risk assessment and scoring activities, monitors incidents/operational risk events and the related and loss data collection processes. It also monitors the action plans adopted to mitigate material risks and has defined and controls KRIs (Key Risk Indicators) instrumental to monitoring of the areas of highest risk.

The Internal Audit function supervises the regular conduct of the Bank's operations and processes, and assesses the efficacy and efficiency of the overall internal control system established to monitor activities exposed to risk.

The Risk Committee is a collegial body responsible for a shared vision of the global performance of the operational risk management and control system and for deciding which actions are to be taken in response to any critical situations, deficiencies and/or anomalies that emerge from analyses and/or assessments conducted by the Chief Risk Office.

Moreover, Banca Generali has insurance coverage for operational risks deriving from acts of third parties or caused to third parties and adequate contractual clauses covering damages caused by providers of infrastructure and services and has approved a Business Continuity Plan.

Quantitative information

The impact of operating losses in 2025 is broken down below by business line and by event type (€ thousand):

BUSINESS LINE	ET 01 – INTERNAL FRAUD	ET 02 – EXTERNAL FRAUD	ET 03 – EMPLOYMENT PRACTICES AND WORKPLACE SAFETY	ET 04 – CLIENTS, PRODUCTS AND BUSINESS PRACTICES	ET 05 – DAMAGE TO PHYSICAL ASSETS	ET 06 – BUSINESS DISRUPTION AND SYSTEM FAILURES	ET 07 – EXECUTION, DELIVERY AND PROCESS MANAGEMENT	TOTAL
Corporate Finance	1,337	-	-	46,776	-	-	8	48,120
Trading and Sales	-	-	-	-	-	-	242	242
Retail Brokerage	1,291	-	-	1,146	-	56	213	2,706
Commercial Banking	-	3	-	-	-	-	8	10
Retail Banking	-28	32	-	175	-	-	37	216
Payment and Settlement	332	-61	-	5	-	-	13	289
Agency Services	-	-	-	114	-	-	120	235
Asset Management	-	-	-	-	-	-	-	-
Corporate Items	-86	600	244	-53	5	-	265	976
Overall total	2,847	574	244	48,164	5	56	904	-

Breakdown of frequency ratio by business line and type of event:

BUSINESS LINE	ET 01 – INTERNAL FRAUD	ET 02 – EXTERNAL FRAUD	ET 03 – EMPLOYMENT PRACTICES AND WORKPLACE SAFETY	ET 04 – CLIENTS, PRODUCTS AND BUSINESS PRACTICES	ET 05 – DAMAGE TO PHYSICAL ASSETS	ET 06 – BUSINESS DISRUPTION AND SYSTEM FAILURES	ET 07 – EXECUTION, DELIVERY AND PROCESS MANAGEMENT	TOTAL
Corporate Finance	-	-	-	6	-	-	2	8
Trading and Sales	-	-	-	-	-	-	7	7
Retail Brokerage	3	-	-	9	-	1	13	26
Commercial Banking	-	1	-	-	-	-	1	2
Retail Banking	-	1	-	2	-	-	4	7
Payment and Settlement	3	-	-	1	-	-	2	6
Agency Services	-	-	-	1	-	-	12	13
Asset Management	-	-	-	-	-	-	-	-
Corporate Items	-	7	5	-	1	-	3	16
Overall total	6	9	5	19	1	1	44	-

The event type recording the highest impact was the Event Type “ET 04 – Clients, products and business practices”; this category includes losses arising from an unintentional or negligent failure to meet a professional obligation to specific customers by the Bank or its Financial Advisors.

Significant impact is also attributable to “ET 01 – Internal fraud”, which includes losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or company policy by internal staff, including Financial Advisors, in the performance of their duties and which also involves the Bank in that it is liable for the actions of its employees. The Bank carefully examines the individual disputes and complaints and, where necessary, makes an appropriate provision for the risk of legal disputes and continually monitors any developments, adjusting the amount set aside as circumstances change.

All other event types reported minor losses.

The cases reported under “ET 02 – External fraud” include losses due to acts of a type intended to defraud, misappropriate property or circumvent the law by persons outside the Bank and are mostly attributable to counterfeit of payment instruments and documents, in addition to cyber risks (e.g., smishing/vishing).

Item “ET 03 – Employment practices and workplace safety” reported losses due to labour disputes.

“ET 07 – Execution, delivery and process management” includes losses from failed transaction processing or process management with regard to the Bank’s operations and losses from relations with commercial counterparties and vendors.

In addition, there were marginal losses on event type “ET 06 – Business disruption and system failures” — a category which includes events resulting from the blockage or malfunction of the IT systems used by the Bank as a consequence of which operating losses and events with damages to property and equipment are recorded — and on event type “ET 05 – Damage due to physical assets”, which includes the events and losses resulting from physical damage to company assets due to external events.

PART F – INFORMATION ON NET EQUITY

Section 1 – Net equity

A. Qualitative information

The Bank's capital management strategy mainly aims to ensure that its capital and ratios are consistent with its risk profile and regulatory requirements.

The Bank is subject to the capital adequacy requirements established by the Basel Committee in accordance with the rules defined by the EU and applied by the Bank of Italy.

Such rules envisage the specific concept of "Own Funds", which is separate from the net equity stated in the financial statements. Own Funds are calculated as the sum of positive and negative items, which are included in the calculation based on the quality of capital attributed to them.

Compliance with minimum capital requirements is monitored by the Chief Risk Office, whereas the Regulatory and Reporting function is responsible for calculating and disclosing of Own Funds and capital requirements on a regular basis, as well as safeguarding the related databases (historical regulatory archive).

The Parent Company's compliance with capital adequacy ratios is monitored throughout the year and on a quarterly basis, and the necessary measures are taken to ensure control over the balance sheet items.

Additional analyses and preliminary control of the capital adequacy is also carried out upon any extraordinary transactions (e.g., acquisitions, transfers, etc.). In these cases, information concerning the transaction is used to estimate its impact on the capital ratios, and any actions that may be necessary to comply with the requirements of the Supervisory Authorities are planned.

Distribution of 2023 and 2024 dividend

In 2025, the second instalment of the 2023 dividend was distributed, for a total amount of 68.4 million euros, net of the portion attributable to treasury shares.

In addition, the first instalment of the 2024 dividend was also distributed, for a total amount of 245.8 million euros, net of the portion to be assigned to treasury shares.

As approved by the Shareholders' Meeting on 17 April 2025, the second instalment of the 2024 dividend will be paid in February 2026, for a total amount of 74.0 million euros.

B. Quantitative information

At 31 December 2025, net equity, including net profit for the year, amounted to 1,464.4 million euros compared to 1,350.9 million euros at the end of the previous year.

(€ THOUSAND)	31.12.2025	31.12.2024	CHANGE	
			AMOUNT	%
1. Share capital	116,852	116,852	-	-
2. Share premium reserve	52,457	52,392	65	0.1%
3. Reserves	838,344	749,854	88,490	11.8%
4. (Treasury shares)	-96,103	-87,268	-8,835	10.1%
5. Valuation reserves	-2,726	5,911	-8,637	-146.1%
6. Equity instruments	100,000	100,000	-	-
7. Net profit (loss) for the year	455,551	413,122	42,429	10.3%
Total net equity	1,464,375	1,350,863	113,512	8.4%

In 2025, net equity — net of the 2024 dividend approved by the General Shareholders' Meeting of 17 April 2025, partly paid in May 2025 and partly in February 2026 — recorded a 113.5 million euro change due to the increase in net profit for the year (455.5 million euros) and, to a lower extent, to other components, such as the positive performance of OCI valuation reserves, the change in reserves for share-based payments (IFRS 2, the buy-back of treasury shares and the recognition in net equity of the extraordinary contribution to unlock the so-called Windfall Tax reserve, as shown in the following table.

	31.12.2025	31.12.2024
Net equity at year-start	1,350,863	1,119,466
Other changes	-	1
Dividends approved and distributed	-319,989	-245,210
Dividends on AT1 equity instruments	-4,858	-3,588
Buy-back/disposal of treasury shares	-18,864	-9,777
Matured IFRS 2 reserves (from stock option plans and remuneration policies)	17,625	16,618
Change in OCI valuation reserves	-8,637	10,231
Issue of AT1 equity instruments (coupons)	-	50,000
Substitute Windfall Tax	-7,316	-
Net profit (loss) for the year	455,551	413,122
Net equity at year-end	1,464,375	1,350,863
Change	113,512	231,397

With regard to the Windfall Tax, it should be recalled that Article 26 of Italian Law Decree No. 104/2023 had introduced an extraordinary tax to be levied on banks and calculated by applying a rate of 40% to the amount of net interest income recognised in 2023, with a tax cap equal to 0.26% of the RWAs recognised at the end of 2022.

An option had been also provided to alternatively book a non-distributable equity reserve of 2.5 times the amount of the tax, which the Bank had exercised, allocating 26.6 million euros.

The 2026 Budget Law (Article 1, paragraphs 68-73 of Italian Law No. 199/2025) then established that any profit distribution made in financial years following 1 January 2028 would be automatically drawn from the above-mentioned reserve, resulting in the application of the originally envisaged 40% rate, in addition to the related interest.

However, said law also introduced the option to pay, as an alternative to the tax, an extraordinary contribution calculated by applying lower rates, as follows:

- › a 27.5% rate on the amount of the reserve at 31 December 2025; or
- › a 33% rate of the amount of the reserve at 31 December 2026.

From an accounting perspective, it also clarified that the tax amount should be recognised as soon as the financial statements for the year ending 31 December 2025 with a balancing entry to an equity reserve and that, in order to be entitled to apply the lower rates in calculating the extraordinary contribution, the entity should formalise such decision before approving the 2025 draft financial statements.

Accordingly, on 11 February 2025, the Bank's Board of Directors resolved to authorise the payment of the 27.5% extraordinary contribution by drawing from the so-called "Windfall Tax reserve", for a total amount of **7.3 million euros**.

In 2025, on the basis of the achievement of the performance objectives set out in the Remuneration Policy, 376,668 treasury shares, with a value of 11,299 thousand euros, of which 94,026 shares in service of the first instalment of the 2022 LTIP and of the second instalment of the 2020 LTIP, were allotted to the Banking Group's employees and Financial Advisors qualifying as Key Personnel, as well as to network managers.

This aggregate also includes 23,394 Banca Generali shares allotted to Intermonte Group employees in service of the pre-acquisition remuneration policies for financial years 2021-2024.

On 17 April 2025, the General Shareholders' Meeting also authorised the repurchase of a maximum of 390,780 treasury shares in service of the 2025 remuneration plans for the Key Personnel of the Banking Group, including Intermonte, and of the new Long Term Incentive Plan (LTIP) for the period 2025-2029. The plan for the buy-back of treasury shares was authorised by the Supervisory Authority on 29 July 2025 and was completed on 30 September 2025, with the last tranches of shares settled at the beginning of October.

The said authorisation also enabled the repurchase of a maximum of 20,000 shares in service of Intermonte's market making activity.

At the end of the year, the Parent Company, Banca Generali, thus held 2,942,019 treasury shares, with a value of 96,103 thousand euros, intended solely for the service of Remuneration Policies for the Banking Group's Key Personnel.

Valuation reserves amounted to -2.7 million euros, with a net decrease of 8.6 million euros due to the decline in the cash flow hedge reserve (-2.4 million euros) and in the fair value valuation reserves of the portfolio of financial assets measured at fair value through other comprehensive income (-6.2 million euros).

B.1 Breakdown of net equity

ITEMS/VALUES	31.12.2025	31.12.2024
1. Share capital	116,852	116,852
2. Share premium reserve	52,457	52,392
3. Reserves	838,344	749,854
– retained earnings	782,051	701,092
a) legal reserve	23,370	23,370
b) statutory reserve	-	-
c) treasury shares	-	-
d) other	758,681	677,722
– other	56,293	48,762
4. Equity instruments	100,000	100,000
5. (Treasury shares)	-96,103	-87,268
6. Valuation reserves	-2,726	5,911
Equity securities designated at fair value through other comprehensive income	-3,437	-284
Equity security hedges designated at fair value through other comprehensive income	-	-
Financial assets (other than equity securities) measured at fair value through other comprehensive income	721	3,720
Property and equipment	-	-
Intangible assets	-	-
Hedges of a net investment in a foreign operation	-	-
Cash flow hedges	2,279	4,702
Hedging instruments	-	-
Exchange differences	-	-
Non-current assets held for sale and disposal groups	-	-
Financial liabilities designated at fair value through profit or loss (change in own creditworthiness)	-	-
Actuarial gains (losses) from defined benefit plans	-2,289	-2,227
Share of valuation reserves relating to investee companies valued at equity	-	-
Special revaluation laws	-	-
7. Net profit (loss) for the year	455,551	413,122
Total	1,464,375	1,350,863

B.2 Breakdown of valuation reserves of financial assets measured at fair value through other comprehensive income

Valuation reserves of financial assets measured at fair value through other comprehensive income (OCI) account for the unrealised capital gains and losses, net of the associated tax effect, on the assets allocated to that portfolio and recognised at fair value. The change in these reserves contributes to determining the overall company performance in relation to OCI, without passing through Profit and Loss.

However, when gains or losses are realised or an impairment loss is recognised, the cumulative amount of the reserve is reclassified to the Profit and Loss Account in the year of reference.

Fair value valuation reserves of the portfolio of financial assets measured at fair value through OCI declined compared to the end of the previous year.

The decline was attributable to both the government bonds portfolio, for which net reserves amounted to 0.7 million euros compared to 3.7 million euros at end of the previous year; and the equity securities portfolio, which decreased by 3.2 million euros. The increase in the OCI negative reserve on equity securities was mainly attributable to the disposal of the Mainstreet equity investment.

ASSETS/VALUES	31.12.2025		31.12.2024	
	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE/RESERVE	NEGATIVE RESERVE
1. Debt securities	1,168	-447	4,262	-542
2. Equity securities	80	-3,517	1,263	-1,547
Total	1,248	-3,964	5,525	-2,089

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: year changes

Valuation reserves on the HTCS portfolio showed a net reduction of 6.2 million euros in 2025, as a result of the following factors:

- › an increase in net valuation capital losses totalling -6.3 million euros;
- › the reduction of pre-existing net positive reserves due to re-absorption through profit or loss upon realisation (1.5 million euros);
- › a negative net tax effect associated with the above changes and mainly resulting from net decreases in DTAs (-1.6 million euros).

	31.12.2025				
	DEBT SECURITIES		EQUITY SECURITIES	FINANCING	TOTAL
	CORPORATE	GOVERNMENT			
1. Amount at year-start	47	3,673	-284	-	3,436
Adjustment of opening balances	-	-	-	-	-
1. Amount at year-start	47	3,673	-284	-	3,436
2. Increases	78	3,306	202	-	3,586
2.1 Fair value increases	32	994	-	-	1,026
2.2 Adjustments for credit risk	15	61	X	-	76
2.3 Transfer to Profit and Loss Account of negative reserves: due to disposal	3	754	X	-	757
2.4 Transfer to other net equity components (equity securities)	-	-	-	-	-
2.5 Other changes	28	1,497	202	-	1,727
3. Decreases	114	6,269	3,355	-	9,738
3.1 Fair value decreases	101	3,941	3,355	-	7,397
3.2 Reversals for credit risk	-	-	-	-	-
3.3 Transfer to Profit and Loss Account of positive reserves: due to disposal	2	2,235	X	-	2,237
3.4 Transfer to other net equity components (equity securities)	-	-	-	-	-
3.5 Other changes	11	93	-	-	104
4. Amount at year-end	11	710	-3,437	-	-2,716

B.4 Valuation reserves relating to defined benefit plans: year changes

	31.12.2025		
	RESERVE	DTAS	NET RESERVE
1. Amount at year-start	-3,034	807	-2,227
2. Increases	-85	23	-62
Decreases of actuarial losses	-	-	-
Other increases	-85	23	-62
3. Decreases	-	-	-
Increases of actuarial losses	-	-	-
Other decreases	-	-	-
4. Amount at year-end	-3,119	830	-2,289

Section 2 – Own Funds and regulatory capital ratios

In accordance with Circular No. 262 of 22 December 2005, 8th update of 17 November 2022, for the details of Own Funds and regulatory capital ratios, reference is made to the information regarding Own Funds and capital adequacy contained in the Pillar 3 Disclosure provided at the consolidated level, available from Banca Generali's corporate website at the address www.bancagen-erali.com.

PART G – BUSINESS COMBINATIONS OF COMPANIES OR BUSINESS UNITS

This section includes both transactions within the scope of IFRS 3 and business combinations between entities under common control.

The results of impairment testing recognised in the Financial Statements of Banca Generali S.p.A. are also stated for purposes of consistency of presentation.

Section – Transactions undertaken during the year

Intermonte Voluntary Tender Offer

On 31 January 2025, Banca Generali finalised the acquisition of a 100% interest in Intermonte Partners SIM S.p.A. (“Intermonte”), listed on the Italian Stock Exchange (EuroNext Growth Milan) and parent company of the financial group bearing the same name, consisting of the following companies:

- › Intermonte Partners SIM S.p.A. (holding company);
- › Intermonte SIM S.p.A. (operating company), 87.1% controlled by the holding company and the remaining 12.95% controlled by third parties, including by the Assicurazioni Generali Insurance Group, which holds an 11.6% interest through Generali Italia S.p.A.

To this end, on 16 September 2024, Banca Generali launched a voluntary tender offer in cash aimed at acquiring all the ordinary shares of Intermonte for a consideration of **3.04 euros per each share**, including a premium of 24.0% with respect to the average performance of the previous three months, and aimed to collect at least 90% of Intermonte shares, with the intention to delist the shares.

After having received the required authorisations from the Supervisory Authorities on 17 and 18 December 2024 (Bank of Italy and Consob), from 23 December 2024 to 24 January 2025, 30,789,819 shares were tendered to the Offer, equal to approximately 95.332% of the Offer Shares, for a total consideration of **93,601 thousand euros**, paid on 31 January 2025.

On 5 February 2025, pursuant to Article 111 of TUF, the remaining 1,339,086 floating shares (excluding treasury shares) were acquired, accounting for 4.146% of the Issuer's share capital, for a total consideration of **4,071 thousand euros**.

Accordingly, Borsa Italiana proceeded with Intermonte's delisting as of the session of Wednesday, 5 February 2025.

Intermonte Group, a leading independent broker with a leadership position in the Italian market and thirty years of consolidated experience and success, stands out for its quality in its areas of activity — Negotiation & Trading, Global Markets, Investment Banking, Digital Division & Advisory and Research — which are complementary and synergistic to Banca Generali's activity and its private banking positioning, in particular with reference to entrepreneurs and small and medium-sized enterprises (SMEs). This transaction is therefore part of Banca Generali's strategic plan aimed at strengthening its position in the area of investment banking and trading services for corporate and entrepreneurial customers. The acquisition enables to insource key competencies, in particular as regards derivatives and market making, and to expand the strategic advisory services provided to SMEs, in line with entrepreneurial customers' growing demand.

Section 2 – Transactions after the end of the reporting period

No new business combination transactions were undertaken after 31 December 2025 and until the date of approval of the Financial Statements.

However, it should be noted that, in early 2026, a strategic project was completed to reorganise Intermonte Group with the aim of streamlining the ownership structure, the decision-making processes and the operating management. The project provided for:

- › the merger of Intermonte Partners SIM into the parent company Banca Generali; and
- › the repurchase of all the minority interests still held by third parties.

In detail, the merger of Intermonte Partners SIM into the parent company Banca Generali was finalised on 23 February 2026, with retroactive effects for accounting and tax purposes from 1 January 2026.

This transaction, which qualified as a simplified merger pursuant to Article 2505 of the Italian Civil Code, was approved by the Boards of Directors of the companies in question at the end of September 2025, and received the prior authorisation by the Bank of Italy on 17 December 2025. The merger project was finally approved by the Boards of Directors of the two companies in January 2026 and the merger deed was signed on 19 February 2026.

The transaction qualified as a business combination between entities under common control and was therefore accounted for in accordance with the principle of the continuity of values of the transferred assets and liabilities on the basis of the carrying amounts indicated in Banca Generali's 2025 Consolidated Financial Statements.

On 15 January 2026, Banca Generali also purchased the minority interests in Intermonte SIM S.p.A. held by Generali Italia S.p.A. (11.6%) and ICCREA Banca S.p.A. (1.34%), for a total amount of 15,060 thousand euros, therefore achieving full control over the company.

Section 3 – Retrospective adjustments

No retrospective adjustments to business combinations carried out by the Banking Group in previous years were undertaken in 2025 pursuant to paragraphs 61 and B7 of IFRS 3.

The latter provision also requires that the amount of goodwill during the year be reconciled, including an indication of any impairment of goodwill recognised.

At 31 December 2025, Banca Generali's goodwill totalled 79.4 million euros, unchanged compared to the previous year.

(€ THOUSAND)	31.12.2025	31.12.2024
Merger of Prime Consult SIM and INA SIM	2,991	2,991
Acquisition of BG Fiduciaria SIM S.p.A.	4,289	4,289
Acquisition of Banca del Gottardo Italia	31,352	31,352
Acquisition of Credit Suisse Italy's business unit	27,433	27,433
Acquisition of Nextam Group	12,202	12,202
Acquisition of Binck Bank Italy business unit	1,100	1,100
Total goodwill of Banca Generali	79,367	79,367

Impairment test

In accordance with IAS 36, goodwill is no longer amortised, but is reviewed at least annually for impairment.

For the purposes of impairment testing, goodwill must be allocated to cash-generating units (CGUs), which, in accordance with the limitation on the maximum level of aggregation, may be no larger than the operating segments identified for management reporting purposes, pursuant to IFRS 8.

The identification of the operating segments must reflect the reporting methods used by the Parent Company's management and their operating characteristics.

In particular, Banca Generali's management has adopted an integrated model that applies without regard to the structure of the individual legal entities and that aggregates into larger operating segments the activities of these entities together with the operating activities carried out directly by the Parent Company.

In this regard, it should be noted that, as of 1 January 2024, a new reorganisation of the Financial Advisor Networks was implemented, which also led to a review of the operating segments identified by the corporate management for purposes of management reporting.

In detail, the new organisation of the BG Network provides for the following:

- › the creation of a new **Senior Partner Network** (hereinafter "**SP**"), consisting of Financial Advisors with assets under management of more than 150 million euros and teams with assets under management of more than 350 million euros;
- › the incorporation of the Private Banking and Wealth Management Networks into the new **Private & Wealth Network** (hereinafter "**PB**"), within the framework of which, however, the organisational structures of the former networks retained some of their peculiarities, under the supervision of a new top management position, the Network Sales Manager, focused on local coordination and commercial guidance of the various network's Area Managers.

As a consequence, for the purpose of impairment testing pursuant to IAS 36, the CGUs and the related operating segments were redefined in the previous year, reviewing the allocation of goodwill and the carrying amount of the new operating segments.

The impairment testing of goodwill at the consolidated level is therefore also relevant at the parent company level.

For information regarding impairment testing of goodwill, see Part G, Section 3, of the Notes and Comments to the Consolidated Financial Statements.

As described in Part G, Section 3, of the Notes and Comments to the Consolidated Financial Statements, there was not found to be any need for impairment at the operating segment level in the Consolidated Financial Statements. Accordingly, on the basis of the results of the impairment testing at the consolidated level, there was not found to be any need for impairment at the parent company level.

PART H – RELATED PARTY TRANSACTIONS

Procedural aspects

In accordance with Article 2391-*bis* of the Italian Civil Code, the Consob Regulation containing provisions relating to transactions with related parties⁴⁴ and the provisions of Part III, Chapter 11, of Bank of Italy Circular No. 285 of 2013, as further amended, Banca Generali's Board of Directors approved its "Policy for Transactions with Related Parties, Connected Parties and Corporate Officers pursuant to Article 136 of TUB", which was lastly updated on 22 June 2023 and entered into effect on 1 July 2023. The Policy is intended to implement Consob and Bank of Italy regulations, by adopting, at the Banking Group level, rules on transactions with Banca Generali's related parties and connected parties governing the related preliminary activities, approval, reporting and disclosure activities.

Moreover, since Banca Generali belongs to Generali Group, any and all transactions effected with related parties of the parent company Assicurazioni Generali must be identified and managed in accordance with the provisions of the procedures adopted by Assicurazioni Generali in such regard, with the result that, in certain cases, said transactions may be subject to prior approval by the Parent Company, where necessary.

The related party perimeter

Based on Consob Regulation, the Provisions issued by the Supervisory Authority, and the aforementioned Policy, the following parties are considered as Banca Generali's related parties:

- › subsidiaries of the Banking Group;
- › the ultimate parent Assicurazioni Generali S.p.A., its subsidiaries (companies subject to common control), including the direct parent Generali Italia S.p.A., and pension funds established for the benefit of Generali Group companies' employees;
- › Managers with Strategic Responsibilities of the Bank and the parent company Assicurazioni Generali (Key Managers), close relatives of the said personnel and the related relevant subsidiaries (entities in which one of these persons exercises control, joint control or significant influence or holds, directly or indirectly, a significant shareholding of no less than 20% of the voting rights).

Under IAS 24, whose revised version is in force since 1 January 2011, the associate companies of the Banking Group and Generali Insurance Group are also considered related parties.

With specific regard to **Key Managers**, the following persons have been designated as such:

- › the Directors and the members of the Board of Statutory Auditors of the Banking Group's companies;
- › the members of the Top Management, as defined in the Remuneration Policies of the Banking Group⁴⁵, namely the Chief Executive Officer/General Manager and the two Deputy General Managers⁴⁶;
- › top managers of the parent company Assicurazioni Generali S.p.A. identified as Managers with Strategic Responsibilities in the corresponding procedure regarding transactions with related parties adopted by the Insurance Group.

Significance thresholds of Related Party transactions

The procedure lays down specific provisions on decision-making authority, obligation to provide justification and documentation to be prepared depending on the type of transaction.

More specifically:

- › **Transactions of Greater Importance** — i.e., transactions exceeding the threshold of 5% of at least one of the significance indicators of the countervalue of the transaction or of the assets, as provided by Consob Resolution No. 17221, reduced to 2.5% for transactions carried out with the listed Parent Company or with undertakings thereto related which are in turn related to the Company — must be approved by the Board of Directors, upon the binding favourable opinion of the Internal Audit and Risk Committee;
- › **Transactions of Lesser Importance** — i.e., transactions with related parties the amount of which falls between that of Transactions of Small Amount and that of Transactions of Greater Importance — are approved pursuant to the system of delegated powers in force from time to time, only after hearing the non-binding opinion of the Internal Audit and Risk Committee. The aforesaid transactions must be presented with a full and in-depth information about the reasons underlying each and every transaction in question, as well as the fairness and substantive correctness of the related terms and conditions;
- › **Transactions of Small Amount** — i.e., transactions whose value, defined pursuant to the Bank of Italy's Provisions, cannot exceed the amount of **250,000 euros** for banks with Own Funds below 1 million euros — are excluded from the scope of application of the approval and disclosure transparency rules.

⁴⁴ Adopted by Consob Resolution No. 17221 of 12 March 2010, as further amended.

⁴⁵ Banking Group's Remuneration and Incentive Policies approved by the General Shareholders' Meeting on 17 April 2025.

⁴⁶ Chief Executive Officer/General Manager, Deputy General Manager Wealth Management Markets and Products, Deputy General Manager Commercial Networks, Alternative and Support Channels.

In addition to Transactions of Small Amount, in accordance with Consob Regulation, there are additional circumstances which are not subject to the specific approval procedures:

- › **remuneration plans based on financial instruments** approved by the General Shareholders' Meeting within the meaning of Article 114-bis of TUF, and related implementing transactions;
- › **resolutions on the remuneration of Directors** entrusted with specific tasks other than those determined on an overall basis pursuant to Article 2389, paragraph 3, of the Italian Civil Code and **resolutions regarding the remuneration of Managers with Strategic Responsibilities**, provided that the Company has adopted a remuneration policy with certain characteristics;
- › **ordinary transactions** carried out during the normal course of operating activities and the related financial activities, and that are concluded at market or standard equivalent conditions. Pursuant to the Bank of Italy's provisions, all transactions that exceed the threshold set for Transactions of Greater Importance, even if concluded at market or standard equivalent conditions, should be considered as extraordinary transactions;
- › **transactions with or between Subsidiaries and Associates**, provided that none of the Company's other related parties holds any significant interest in the Subsidiaries or Associates in question.

On the basis of the indicator consisting of the consolidated Own Funds, the threshold of Transactions of Greater Importance currently stands at around **51.8 million euros**, reduced to **25.8 million euros** for transactions with the parent company Assicurazioni Generali and the latter's related entities.

Moreover, the provisions issued by the Bank of Italy impose prudential limits, based on Own Funds, on risk assets in relation to Connected Parties. The limits vary according to the different types of Connected Parties, in proportion with the level of involvement in the relationship and the potential impact of the resulting risks on sound and prudent management. In light of the greater risks associated with conflicts of interest in bank-industry relations, more stringent limits are envisaged for risk assets with regard to entities qualifying as non-financial related parties. Exposure in respect of the Generali Group's connected parties, on the other hand, is capped at **7.5%** of consolidated Own funds.

Even if the aforesaid consolidated cap is not exceeded, Banca Generali's exposure in respect of any given group of connected parties may in no event exceed **20%** of individual Own Funds.

1. Disclosure of remuneration of Directors and Executives

As required by IAS 24, the total remuneration recorded in the Profit and Loss Account for the year is disclosed below, broken down by personnel category and type.

2025						
	DIRECTORS	STATUTORY AUDITORS	OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES	TOTAL	2024	CHANGE
Short-term benefits (current remuneration and social security charges) ⁽¹⁾	1,366	369	2,563	4,298	3,935	362
Post-employment benefits ⁽²⁾	-	-	359	359	333	26
Other long-term benefits ⁽³⁾	-	-	523	523	523	-
Termination indemnity	-	-	-	-	-	-
Share-based payments ⁽⁴⁾	-	-	1,995	1,995	1,983	12
Total	1,366	369	5,439	7,174	6,775	400
Total at 31.12.2024	1,245	250	5,280	6,775	-	-

(1) Includes current remuneration and the related social security charges payable by the Company and the portion of short-term variable remuneration.

(2) Includes the Company's pension fund contribution and allocation to the provisions for termination indemnity provided for by the law and company regulations.

(3) Includes the deferred portion of variable remuneration for the year and the previous years accrued in the year based on the vesting period.

(4) Includes the estimated cost for share-based payment plans, determined based on IFRS 2 criteria and recognised in the financial statements.

The table presents the total expenses recognised in the Profit and Loss Account presented in the Financial Statements on the basis of the application of international accounting standards (IAS/IFRS). It therefore also includes the social security charges for which the Company is liable, the allocation to the provisions for termination indemnity, the expenses associated with share-based payment plan determined in accordance with IFRS 2, and the estimate of the variable remuneration accrued during the year on the basis of the *Remuneration and Incentive Policy for the Key Personnel of the Banking Group*.

It should also be noted that the amounts are net of recoverable remuneration associated with services rendered to other companies.

In further detail, the item "Other long-term benefits" includes the estimate of the portion of variable remuneration for the year payable on a deferred basis over the following years, contingent upon specific access gate conditions being met, in accordance with the aforementioned Remuneration Policy.

The item “Short-term benefits” includes the fixed remuneration and the portion of variable remuneration accrued in the reporting year and payable in the following one.

For detailed information concerning Remuneration Policies, reference is made to the specific document concerning Remuneration Policies prepared as per Consob Resolution No. 18049 of 23 December 2011.

Charges for share-based payments refer to the portion of variable remuneration, both current and deferred, paid in Banca Generali shares. More specific details are provided in Part I to these Notes and Comments.

2. Disclosure on Related Party Transactions

As part of its ordinary business operations, Banca Generali carries out numerous financial and commercial transactions with related parties included in the scope of consolidation of Generali Group.

Banca Generali is a direct subsidiary of Generali Italia S.p.A., the holding of all the Insurance Group's operations in Italy. However, the company engaging in management and coordination activities pursuant to Article 2497 of the Italian Civil Code continues to be the ultimate Parent Company, Assicurazioni Generali S.p.A. This is the reason why reference is made to the latter when speaking of the “Parent Company” of Banca Generali, in compliance with IAS 24.

In the banking area, such activities include relationships referring to current accounts, the custody and administration of securities, stock brokerage and commercial portfolio collection.

As regards the distribution and offer of investment products, a number of agreements were established regarding the Financial Advisor Network's placement of asset management and insurance products, as well as banking products and services. To a lesser extent, advisory and wealth management activities are also carried out, with reference to underlying assets of insurance products placed by the companies of the Insurance Group.

In addition, as part of its ordinary operations, the Bank also maintains relationships pertaining to outsourcing of IT and administrative services, insurance and leasing relationships, as well as other minor relationships with Generali Group companies. Transactions with related parties outside Generali Group are mostly confined to direct and indirect funding and lending activities to Key Managers (and their relatives) of the Bank and its Parent Company. These transactions are carried out at market conditions. Banca Generali's direct investments in activities on which such related parties exercise significant influence or control are absolutely not material.

2.1 Extraordinary and non-recurring transactions

Unusual, atypical or extraordinary transactions

There were no atypical and/or unusual transactions to be reported in 2025, nor were such transactions undertaken with parties other than related parties such as intra-group entities or third parties.

Pursuant to Consob Notices Nos. 98015375 of 27 February 1998 and 1025564 of 6 April 2001, atypical and unusual transactions are defined as all transactions that due to their significance/materiality, the nature of the counterparties, the subject matter of the transaction (including in relation to ordinary operations), the transfer pricing method and timing of occurrence (near the end of the reporting period) may give rise to doubts as to the accuracy/completeness of the information presented in the financial statements, conflicts of interest, the safeguarding of company assets and the protection of minority shareholders.

Transactions of Greater Importance

In 2025, two transactions qualified as “Transactions of Greater Importance” were carried out, for which reference should be made to the dedicated section of the Consolidated Report on Operations.

Intra-group Transactions of Greater Importance of the Bank

With respect to the Bank's intra-group Transactions of Greater Importance — which, pursuant to the Procedure on Related Party Transactions, are exempt from the escalated decision-making process and from the obligation to publish a market disclosure document, unless there are significant interests in the subsidiary by other related parties —, no transactions were undertaken in the reporting year.

Other significant transactions

In 2025, five transactions qualified as “Transactions of Lesser Importance” were approved (the amount of which exceeded the significance threshold). These transactions were subject to the prior non-binding opinion of the Internal Audit and Risk Committee; in this regard, reference is made to the dedicated section of the Consolidated Report on Operations.

2.2 Ordinary or recurring transactions

The developments of ordinary transactions with related parties during 2025 are presented in the following sections.

Transactions with Assicurazioni Generali Group

Balance Sheet data

(€ THOUSAND)	SUBSIDIARIES OF THE BANKING GROUP	SUBSIDIARIES AND ASSOCIATES OF THE INSURANCE GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	31.12.2025	31.12.2024	CHANGE		% WEIGHT 2025
						AMOUNT	%	
Financial assets measured at fair value through profit or loss:	-	2,211	-	2,211	1,687	524	31.1%	0.4%
c) other financial assets mandatorily measured at fair value	-	2,211	-	2,211	1,687	524	31.1%	0.4%
Financial assets measured at amortised cost:	64,047	27,769	451	92,267	66,943	25,324	37.8%	0.7%
a) loans to banks	540	-	-	540	266	274	103.0%	-
b) loans to customers	63,507	27,769	451	91,727	66,677	25,050	37.6%	1.0%
Equity investments	183,384	-	-	183,384	72,264	111,120	153.8%	100.0%
Tax assets	-	14,417	-	14,417	1,717	12,700	n.a.	9.8%
Property, equipment and intangible assets	-	47,247	-	47,247	56,044	-8,797	-15.7%	17.5%
Assets held for sale	-	-	1,508	1,508	227	1,281	n.a.	100.0%
Other assets	1,003	24	-	1,027	266	761	n.a.	0.1%
Total assets	248,434	91,668	1,959	342,061	199,148	142,913	71.8%	1.9%
Financial liabilities measured at amortised cost:	43,459	430,347	3,418	477,224	335,837	141,387	42.1%	3.0%
a) due to banks	4,057	-	-	4,057	3,014	1,043	34.6%	1.6%
b) due to customers	39,402	330,266	3,418	373,086	332,823	40,263	12.1%	2.4%
c) debt securities outstanding	-	100,081	-	100,081	-	100,081	n.a.	100.0%
Other liabilities	348	2,215	-	2,563	3,133	-570	-18.2%	0.9%
Equity instruments	-	100,000	-	100,000	100,000	-	-	100.0%
Total liabilities	43,807	532,562	3,418	579,787	438,970	140,817	32.1%	3.2%
Guarantees issued	-	3,506	87	3,593	3,884	-291	-7.5%	4.0%

The total exposure to the Parent Company, **Assicurazioni Generali**, of companies subject to its control, including the direct parent, Generali Italia S.p.A., and its associate companies, amounted to 91.7 million euros (88.4 million euros at the end of 2024), equal to 0.5% of Banca Generali's total balance sheet assets.

This exposure includes 47.2 million euros referring to the net value of the ROU recognised under property and equipment pursuant to IFRS 16 and relating primarily to the lease payments for the Milan and Trieste administrative offices and the commercial network offices.

By contrast, the total debt position reached approximately 532.6 million euros, accounting for 2.9% of total liabilities, up by 113.6 million euros (27.1%) compared to the end of the previous year, mainly due to the 100 million euro bond issued by Banca Generali in December 2025 and fully subscribed by the parent company Assicurazioni Generali.

As a result of the introduction of IFRS 16 with effect from 1 January 2019, amounts due to customers included 51.5 million euros relating to lease liabilities.

As part of assets, **financial assets mandatorily measured at fair value through other comprehensive income (FVOCI)** claimed from the parent company refer to Assicurazioni Generali shares held in the corresponding portfolio of Banca Generali.

At 31 December 2025, **equity investments** amounted to 183.4 million euros, up by 111.1 million euros compared to the end of 2024.

In particular, this increase was attributable to:

- the Swiss subsidiary **BG Suisse S.A.**'s further capital increase of CHF 15.7 million (16.4 million euros) subscribed in March 2025 by Banca Generali, also in service of the business expansion through the acquisition of companies specialising in asset management. As a result, at year-end the company's share capital was made up of 97,950 shares with a nominal value of CHF 1,000, for a total amount of CHF 97.9 million.

On 31 October 2025, BG (Suisse) Private Bank S.A. finalised the acquisition of a 100% interest in the Lugano-based Swiss company Aequitum Holding S.A. and, through the latter, in the fully owned Aequitum S.A., an Alternative Investment

Fund Manager (AIFM) specialised in asset management. Both companies were merged into **BG Aequitum S.A.** on 23 December 2025.

- the acquisition of the **Intermonte Group** companies, completed in January 2025. On 16 September 2024, Banca Generali had launched a voluntary tender offer in cash aimed at acquiring all the ordinary shares of **Intermonte Partners SIM S.p.A.** (IT0005460016), listed on the Italian Stock Exchange (EuroNext Growth Milan), for a consideration of 3.04 euros per each share including a premium of 24.0% with respect to the average performance of the previous three months and aimed to collect at least 90% of Intermonte shares, with the intention to delist the shares.

The Tender Offer was finalised on 31 January 2025 with the tender of 30,789,819 shares, equal to approximately 95.332% of the Offer shares. Following the transfer of the share ownership to Banca Generali, the latter paid to the shareholders participating in the Offer a cash consideration for a total of 93,601 thousand euros.

In light of the final results of the Tender Offer, Banca Generali decided to exercise the Right to Squeeze-Out provided for under Article 111 of TUF (thus concurrently fulfilling the corresponding Obligation to Squeeze-Out as per Article 108, paragraph 2, of TUF) on the remaining 1,339,086 shares (excluding treasury shares), equal to 4.146% of the Issuer's share capital, for a total consideration of 4,070.8 thousand euros overall. This process was completed on 5 February 2025.

In 2025, a strategic project was also launched to reorganise Intermonte Group with the aim of streamlining the ownership structure, the decision-making processes and the operating management. The project provided for:

- merger of Intermonte Partners SIM into the parent company Banca Generali; and
- repurchase of all the minority interests still held by third parties.

The merger of Intermonte Partners SIM, which qualified as a simplified merger pursuant to Article 2505 of the Italian Civil Code, was approved by the Boards of Directors of the companies in question at the end of September 2025. Following receipt of the Bank of Italy's authorisation on 17 December 2025, the merger projects were finally approved by the Boards of Directors of the two companies in January 2026. The transaction was finalised in February 2026.

On 15 January 2026, Banca Generali purchased the minority interests in Intermonte SIM S.p.A. held by Generali Italia S.p.A. (11.6%) and ICCREA Banca S.p.A. (1.34%), for a total amount of 15.1 million euros, therefore achieving full control over the company.

Item **"Equity investments" in associates subject to joint control or significant influence** amounted to 0.6 million euros and included the equity investment in **Agorai Innovation Hub S.p.A.**, aimed at developing an applied and basic research hub and training centre on data science and advanced artificial intelligence, based in Trieste. Said company was incorporated on 11 April 2025 by several Generali Group companies, including Banca Generali, initially holding a 20.1% interest. On 27 November 2025, a reserved capital increase was approved and was subscribed by new institutional shareholders, which reduced the Group's equity investment to 49% and that of Banca Generali to just above 7.5%.

At 31 December 2025, the investment was however recognised among equity investments, in light of the significant influence that Generali Group continued to exercise by virtue of its stake and the representatives it has in the company's corporate bodies. In addition, on 17 April 2025, following an extraordinary transaction that had led to a change of control in Saxo Bank, the Board of Directors authorised the exercise of the put option envisaged by the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026. Accordingly, the equity investment in BG Saxo SIM S.p.A., which in the previous year had been classified among equity investments in companies subject to joint control, was reclassified among **non-current assets held for sale recognising** an amount equal to its expected realisable value, corresponding to the consideration agreed upon for the disposal.

The sale of the equity investment in Nextam Partners SIM S.p.A., recognised among assets held for sale in the 2024 Financial Statement, was completed in July 2025.

Exposures to Generali Group companies recognised as **loans to customers** amounted to 27.8 million euros and refer to the following transactions:

COMPANY	TYPE OF RELATIONSHIP	TYPE OF TRANSACTION	31.12.2025		31.12.2024	
			AMOUNT	REVENUES	AMOUNT	REVENUES
Alleanza Assicurazioni	Subsidiaries of AG Group	Operating loans	21,557	-	23,352	-
Other companies of Generali Group	Subsidiaries of AG Group	Operating loans	5,980	-	5,016	-
Other companies of Generali Group	Subsidiaries of AG Group	Medium/Long-term loans	226	13	375	91
Other exposures with Group companies	Subsidiaries of AG Group	Temporary current account exposures	6	67	4	5
Total			27,769	80	28,747	96

Operating loans are comprised of transitional items including fees accrued over the last quarter for the distribution of insurance and financial products of Group companies.

Amounts receivable from the Parent Company and classified as **tax assets** consisted of Banca Generali S.p.A.'s net tax assets resulting from the balance between tax prepayments, withholdings and credits and the IRES tax calculated at the end of 2025.

Amounts **due to customers** attributable to Generali Group's related parties stood at around 330.3 million euros at year-end and included amounts due to the parent company Assicurazioni Generali S.p.A. totalling 55.7 million euros, and amounts due to Generali Italia S.p.A. for 65.6 million euros, in addition to lease liabilities arising from the lease contracts for the administrative offices and the commercial network offices for 51.5 million euros.

Item "**Debt securities outstanding**" includes the issuance of a 100 million euro preferred senior bond eligible for MREL purposes, fully subscribed by Assicurazioni Generali through a private placement. The issue, placed on 22 December 2025, has a maturity of 5 years and the issuer will be entitled to early redemption after 4 years of the date of issue; it has an annual coupon of 3.345%.

Pursuant to IAS 32, the Additional Tier 1 Perpetual bond — of which on 8 August 2024 Banca Generali finalised the new issue for a total aggregate amount of 100 million euros, fully subscribed by three Generali Group companies through a private placement — was reclassified to item "**Equity instruments**".

The issue meets the characteristics required by the current regulatory capital legislation for eligibility as Additional Tier 1 (AT1) capital instrument in the issuer's financial statements.

The perpetual bond issue envisages a non-cumulative half-yearly coupon to be paid as of February 2025 and that has been set at 6.7% per annum, to be subsequently reset every five years. In accordance with the applicable law and market practices, the issue is perpetual and the issuer will be entitled to early redemption only starting from the fifth year from the date of issue (8 August 2029), subject to prior authorisation from the Supervisory Authority and satisfaction of the conditions provided for by applicable legislation. A portion of this new issue was aimed at the redemption at par of the outstanding 50 million euro Additional Tier 1 bond — which occurred on 26 December 2024 after receiving the Supervisory Authority's authorisation —, while the remaining portion aims at achieving more flexible compliance with the higher requirements introduced by Basel IV for the Bank and the whole Italian and European banking sector effective as of 1 January 2025.

On 8 February 2025 and 8 August 2025, the half-year coupons of the bond subscribed in 2024 were paid for an amount of 3,350 thousand euros each.

In addition, a total of 3.5 million euro signature loans were granted to Generali Group companies, almost entirely to Citylife S.p.A.

Profit and Loss Account data

At 31 December 2025, the profit and loss components recognised with regard to transactions with Generali Group companies amounted to 232.3 million euros, or 45.8% of operating profit before taxation.

(€ THOUSAND)	SUBSIDIARIES OF THE BANK- ING GROUP	SUBSIDIARIES AND ASSOCI- ATES OF THE INSURANCE GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2025	2024	CHANGE		% WEIGHT 2025
						AMOUNT	%	
Interest income	123	80	2	205	106	99	93.4%	-
Interest expense	-361	-9,003	-86	-9,450	-21,162	11,712	-55.3%	7.8%
Net interest income	-238	-8,923	-84	-9,245	-21,056	11,811	-56.1%	-2.8%
Fee income	151,897	263,217	900	416,014	393,885	22,129	5.6%	47.9%
Fee expense	-40	-	-	-40	-66	26	-39.4%	-
Net fees	151,857	263,217	900	415,974	393,819	22,155	5.6%	126.2%
Dividends	-	88	-	88	79	9	11.4%	6.5%
Operating income	151,619	254,382	816	406,817	372,842	33,975	9.1%	60.7%
Staff expenses	1,333	203	19	1,555	1,319	236	17.9%	-1.3%
General and administrative expenses	-1,412	-15,264	-	-16,676	-15,298	-1,378	9.0%	6.2%
Net adjustments/reversals of property and equipment	-	-7,015	-	-7,015	-7,413	398	-5.4%	16.7%
Other net operating income	296	30	13	339	1,710	-1,371	-80.2%	0.2%
Net operating expenses	217	-22,046	32	-21,797	-19,682	-2,115	10.7%	7.5%
Operating result	151,836	232,336	848	385,020	353,160	31,860	9.0%	101.6%
Dividends and income from equity investments	249,550	-	-	249,550	256,460	-6,910	-2.7%	100.0%
Gains (losses) from equity investments	-	-	-3,017	-3,017	-171	-2,846	n.a.	100.0%
Operating profit	401,386	232,336	-2,169	631,553	609,449	22,104	3.6%	124.4%
Net profit (loss) for the year	401,386	232,336	-2,169	631,553	609,449	22,104	3.6%	138.6%

Net interest income generated with regard to Insurance Group companies was negative overall and amounted to 8.9 million euros, equal to 2.7% of the total amount recognised in the Profit and Loss Account, and referred mainly to the interest expense on current accounts (7.7 million euros) and to interests accrued on the IFRS 16-related liability (1.3 million euros).

Fee income paid back by companies of the Insurance Group amounted to 263.2 million euros, equal to 30.3% of the aggregate amount and was broken down as follows:

	SUBSIDIARIES OF THE BANKING GROUP	SUBSIDIARIES AND/ ASSOCIATES OF THE INSURANCE GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2025	SUBSIDIARIES OF THE BANKING GROUP	SUBSIDIARIES AND/ ASSOCIATES OF THE INSURANCE GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2024	ABSOLUTE CHANGE	%
Fees for the placement of UCITS	144,090	6,652	-	150,742	133,364	3,705	-	137,069	13,673	10.0%
Fees for distribution of insurance products	-	244,306	-	244,306	-	237,203	-	237,203	7,103	3.0%
Fees for distribution of discretionary mandates	3	12,215	-	12,218	10	11,318	-	11,328	890	7.9%
Advisory fees	7,804	-	-	7,804	6,359	-	-	6,359	1,445	22.7%
Other banking fees	-	44	900	944	-	73	1,853	1,926	-982	-51.0%
Total	151,897	263,217	900	416,014	139,733	252,299	1,853	393,885	22,129	5.6%

The most significant component consists of fees for the **distribution of insurance products** paid back by **Alleanza Assicurazioni S.p.A.**, which reached 244.3 million euros, up by 3.0% compared to the previous year.

Fees for the placement of units of UCITS of the Insurance Group were largely related to the fee income on the distribution of GI Focus funds, promoted by Generali Asset Management S.p.A. SGR.

Furthermore, Banca Generali advises on, or directly manages through portfolio management, a portion of the underlying assets of the Group's insurance products. In this regard, in 2025 fee income for advisory services rendered to Alleanza Assicurazioni S.p.A., Generali Italia S.p.A. and GENAM SGR S.p.A. amounted to 9.5 million euros.

Other banking fees referred both to SDD collection activity on behalf of Group companies and current account keeping fees.

It should also be noted that Banca Generali renders trading and order collection services to Italian and international UCITS administered by management companies that belong to the Banking and Insurance Group. Such fees are generally charged directly against the assets of the UCITS, which are considered entities beyond the scope of IAS 24.

The Bank also directly collects from customers — through the correspondent bank — underwriting fees for the Sicavs promoted by the Group (Lux IM Sicav, BG Selection Sicav, Generali Investments Sicav).

The Bank's **net operating expenses** recognised in relation to transactions with related parties of Generali Group amounted to 22.1 million euros, accounting for 7.6% of the aggregate total, and referred to outsourced services in the insurance, leasing, administrative and IT areas.

	BANKING/ GROUP	GENERALI GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2025	BANKING/ GROUP	GENERALI GROUP	ASSOCIATES SUBJECT TO JOINT CONTROL OR SIGNIFICANT INFLUENCE	2024	CHANGE	
									ABSOLUTE	%
Insurance services	-	3,289	-	3,289	-	2,952	-	2,952	337	11.4%
Property services	-	258	-	258	-	245	-	245	13	5.3%
Administration, IT and logistics services	1,104	11,699	-13	12,790	666	9,442	283	10,391	2,399	23.1%
Staff services	-1,333	-204	-19	-1,556	-969	-337	-13	-1,319	-237	18.0%
Depreciation of RoUs (IFRS 16)	-	7,015	-	7,015	-	7,413	-	7,413	-398	-5.4%
Total general and administrative expenses	-229	22,057	-32	21,796	-303	19,715	270	19,682	2,114	10.7%

Following the introduction of IFRS 16, property services relate solely to additional costs of leases and rentals of motor vehicles and ATMs (former condominium fees, VAT and sundry additional expenses).

Administrative expenses incurred in relation to Generali Italia S.p.A. amounted to 7.5 million euros and refer to insurance services for 3.1 million euros and, for the remainder, to administration and logistics services.

Expenses relating to IT, administration and logistics related chiefly to services rendered by Generali Italia (formerly Generali Business Solution S.c.ar.l.) on the basis of current outsourcing agreements.

The 7.0 million euro value adjustments of property and equipment refer to the depreciation of the IFRS 16-related right of use.

Transactions with other related parties

Exposure in respect of **Key Managers** of the Bank and its parent company Assicurazioni Generali referred to account overdraft facilities and residential mortgages subject to the same terms and conditions applied to similar mortgages held by other Executives of the Banking and Insurance Group.

Amounts due to such parties consist of the balances of the correspondent accounts they hold with Banca Generali and are regulated on the basis of conditions applicable to employees of the Banking and Insurance Group.

(€ THOUSAND)	ASSOCIATES AND MANAGERS WITH STRATEGIC RESPONSIBILITIES
Loans to customers	7,004
Amounts due to customers	19,225
Interest income	499
Interest expense	-255
Fee income	25
Guarantees issued	60

Transactions with the Banking Group's companies

Within the Banking Group, the exposure to subsidiaries amounted to 247.8 million euros compared to 106.6 million euros in 2024, of which 182.8 million euros referred to the Parent Company's equity investments and 64.0 million euros to operating receivables associated with the financial product distribution activity and current account exposures.

Inflows from Group companies amounted to 43.8 million euros and consist of the balances of current account deposits.

The profit and loss components recognised in the Financial Statements with regard to transactions with companies of the Banking Group amounted to approximately 401.4 million euros overall and primarily consist of:

- › interest expense mainly applied to the deposits of the Luxembourg-based subsidiary BGFML (265 thousand euros) and the Swiss subsidiary BG Suisse (76 thousand euros);
- › fee income paid back to the Group's management companies in connection with the distribution of financial products and services by such companies (151.9 million euros);
- › dividends distributed by the Luxembourg-based subsidiary BGFML (249.5 million euros).

With respect to the aggregate of operating expenses, the services rendered by the Parent Company to the companies of the Banking Group are highly limited and essentially refer to staff secondment and the outsourcing of key administrative services.

Direction and coordination

Pursuant to Article 2497-bis of the Italian Civil Code, Banca Generali is subject to Assicurazioni Generali S.p.A.'s "management and coordination" activities.

2024 highlights of Assicurazioni Generali

The highlights of the Parent Company Assicurazioni Generali S.p.A shown in the table below have been taken from the company's Financial Statements for the year ended 31 December 2024. These are available together with the Independent Auditor's Report as provided for by the law. Consequently, these figures of the Parent Company are not subject to audit performed by the auditing firm engaged by Banca Generali.

(€ MILLION)

2024

Net profit	3,689.9
Aggregate dividend	2,172
Increase	9.31%
Total net premiums	4,276
Total gross premiums	6,260.5
Total gross premiums from direct business	1,437.3
Increase on equivalent terms ^(a)	
Total gross premiums from indirect business	4,823.2
Increase on equivalent terms ^(a)	
Acquisition and administration costs	1,027.6
Expense ratio ^(b)	22.90%
Life business	
Life net premiums	901.8
Life gross premiums	1,532.9
Increase on equivalent terms ^(a)	
Life gross premiums from direct business	173.9
Increase on equivalent terms ^(a)	
Life gross premiums from indirect business	1,359.1
Increase on equivalent terms ^(a)	
Life acquisition and administration costs	165.3
Expense ratio ^(b)	18.30%
Non-life business	
Non-life net premiums	3,374.4
Non-life gross premiums	4,727.6
Increase on equivalent terms ^(a)	
Non-life gross premiums from direct business	1,263.4
Increase on equivalent terms ^(a)	
Non-life gross premiums from indirect business	3,464.1
Increase on equivalent terms ^(a)	
Non-life acquisition and administration costs	862.3
Expense ratio ^(b)	25.60%
Loss ratio ^(c)	68.1%
Combined ratio ^(d)	93.7%
Current financial result	4,646.9
Technical provisions	11,701.5
Life segment technical provisions	3,183.5
Non-life segment technical provisions	8,518.0
Investments	51,933.3
Capital and reserves	16,902

(a) At constant exchange rates.

(b) Ratio of administration costs to total premiums.

(c) Ratio of accrued claims to accrued premiums.

(d) Total (b) + (c).

PART I – PAYMENT AGREEMENTS BASED ON OWN EQUITY INSTRUMENTS

At 31 December 2025, the following payment agreements based on own equity instruments were in place:

- › the plans launched with respect to Banca Generali Group's Remuneration and Incentive Policy, in effect from time to time, which calls for a part of the variable remuneration of Key Personnel to be paid by assigning Banca Generali's own financial instruments;
- › the incentive schemes based on shares in favour of the employees of the subsidiary Intermonete SIM, activated following the acquisition of the investment firm and in line with its Remuneration Policy;
- › the plans launched in service of the Framework Loyalty Programme 2017-2026, approved by the General Shareholders' Meeting on 20 April 2017 and now in its fifth annual cycle (2021-2026), which calls for a maximum of 50% of the indemnity accrued to be paid using own financial instruments;
- › the LTI (Long Term Incentive) plans for the Banking Group's top managers, based on Banca Generali shares.

A. Qualitative information

1. Share-based payment plans linked to the variable component of remuneration based on performance objectives

The Remuneration and Incentive Policy for the Key Personnel of Banca Generali Group — adopted in compliance with the Supervisory Provisions⁴⁷ currently in force — requires a portion of the variable component of remuneration, both current and deferred, to be paid by assigning Banca Generali's own financial instruments, based on the rules annually submitted for approval to the General Shareholders' Meeting of the Bank.

In addition to Top Managers, who qualify as Managers with Strategic Responsibilities, Key Personnel includes employees with special managerial responsibilities, Financial Advisors who serve as network managers and Financial Advisors whose total remuneration is a particularly high amount.

As of 2022, if the variable component of the Key Personnel's remuneration exceeds 50 thousand euros and one third of ordinary remuneration, at least 40% of it is subject to deferred payment systems for a period of time of no less than four years and will be at least 50% paid in Banca Generali shares according to the following assignment and retention mechanism:

- › 60% of the bonus is paid up-front, normally by the first half of the year after that of reference, 50% in cash and 50% in Banca Generali shares, which will be subject to a retention period of one calendar year;
- › 40% of the bonus will be paid according to a linear pro-rated approach and will be further deferred by four years from the payment of the first instalment, 50% in cash and 50% in Banca Generali shares, which will be subject to a retention period of one calendar year.

For Non-Top Key Personnel whose variable remuneration is a particularly high amount, the portion subject to deferral is increased to 60%, without prejudice to the payment of 50% of it in Banca Generali shares, whereas for Top Key Personnel the deferral period is increased to five years, with a portion paid in shares increased to 53%.

In calculating the number of shares to be assigned, a method is applied where the numerator is the portion of variable remuneration subject to payment in shares accrued in relation to the achievement of objectives set for the year in question, and the denominator:

- › for years preceding 2025, is equal to the average price of Banca Generali shares during the three months prior to the meeting of the Board of Directors that approves the draft Separate and Consolidated Financial Statements for the year prior to that in which the cycle in question begins (*ex-ante* calculation);
- › for years following 2025, is equal to the average price of Banca Generali shares during the three months prior to the meeting of the Board of Directors that approves the draft Separate and Consolidated Financial Statements for the year related to the cycle in question (*ex-post* calculation).

For the purposes of termination indemnity, share price is calculated as the average prices in the three months prior to the signing of the agreement under which the termination indemnity is to be paid, or in the three months prior to the date of termination of the working relationship where the agreements are entered into on an *ex-ante* basis.

As regard the other components of the Variable Remuneration (e.g., retention bonus), the Share price is calculated as the average prices in the 3 (three) months prior to the month in which the up-front component is paid.

⁴⁷ Bank of Italy Circular No. 285/2013, "Supervisory Provisions for Banks", Part I, Title IV, Chapter 2, Compensation and incentive mechanisms, as updated on 24 November 2021 (37th update).

The payment in shares is executed after the Board of Directors verifies the earnings results for the year in question and is conditional not only upon the achievement of the pre-set objectives⁴⁸, but also to the satisfaction of access gates established from time to time by the Banking Group (CET 1 ratio and LCR – Liquidity Coverage Ratio) for the year in which the remuneration is accrued and, where appropriate, for the following years of deferral.

The Banking Group's Remuneration Policy for the reference year together with the authorisation to buy back treasury shares to be used to service it are submitted annually to the General Shareholders' Meeting that approves the previous year's Financial Statements. The actual buy-back of treasury shares is also subject to authorisation by the Bank of Italy.

These plan categories also include any other compensation paid in the form of shares related to:

- › ordinary sales incentives and recruitment plans for Financial Advisors other than the main network managers and employed sales personnel;
- › agreements entered into in view of or upon the early termination of the employment or agency relationship, with regard to the beneficiaries falling within the category of Key Personnel.

1.1 Measurement of fair value and accounting treatment

The mechanisms to recognise variable remuneration — discussed in the previous section — are considered as equity-settled share-based payment transactions, falling within the scope of application of IFRS 2 – *Share-based Payments*.

The accounting treatment set forth for these transactions requires an entity to reflect in its accounts, under the most appropriate item (staff expenses, fee expense), the estimated expense associated with services received, determined on the basis of the fair value of the rights granted (stock options/stock grants), as an offsetting entry to an increase in net equity through allocation to a specific equity reserve.

As the agreements relating to share-based payments related to the above-mentioned plans do not call for an exercise price, they can be considered similar to a stock grant and recognised in compliance with the rules set forth for this category of transactions.

The overall amount of these agreements is calculated in a way that varies if the assignment price is measured *ex-ante*, in the year of reference or *ex-post*, namely after the end of the year of reference.

In detail, for the plans activated before 2025, which generally provided for the ex-ante calculation of the assignment price, the overall expense is determined based on the number of shares expected to be assigned, multiplied by the fair value of the Banca Generali stock at the date of assignment. This methodology continues to apply to the Long-Term Incentive Plans (LTIP) reported here below, which call for an accrual horizon of several years.

For plans activated as of 2025, with ex post calculation of the assignment price, that are not specifically governed by IFRS 2, the methodology known as “shares to the value of” is applied, according to which the value of the plan is calculated at the assignment date based on the monetary amount of the discounted bonus determined through an appropriate discount rate.

The recognition through the equity reserve of the value of the plans — determined as described above — is measured *pro-rata temporis*, based on the vesting conditions, i.e., the period between assignment and final maturity of the right to receive the shares, likewise taking into account the probability that exercise conditions will not be realised for all beneficiaries.

Since the plans are organised into different instalments with differentiated vesting periods, each instalment is valued separately. In detail, the vesting period for the first instalment paid up-front assigned after the approval of the Financial Statements for the year of reference lasts from 1 January to 31 December of the year of reference of the remuneration (12 months). The vesting period of the subsequent instalments, whose payment is conditional upon both the continuation of service and the satisfaction of the access gates established on an annual basis, is further extended to 31 December of the year preceding that in which the shares are actually disbursed, according to a graded vesting criteria⁴⁹.

The number of shares actually granted to the beneficiaries may, in any event, change based on the assessment of satisfaction of the individual objectives.

The IFRS 2 expense relating to any beneficiaries belonging to Banking Group companies other than the parent company Banca Generali is recognised directly by those companies. However, when the treasury shares bought back are actually assigned to them, the Bank charges back to the companies involved an amount corresponding to the fair value of the relevant plans⁵⁰. In light of the existence of particularly relevant sector-specific rules, the plans activated in favour of employees of the subsidiary Inter-monte SIM are managed separately and are analysed in a dedicated section below.

⁴⁸ Provided for by the Management by Objectives (MBO) mechanism or by specific incentive/recruitment plans.

⁴⁹ Since 2018, IFRS 2-related charges recognised in the Profit and Loss Account with regard to ordinary incentives accrued by Financial Advisors and linked to objectives of net inflows or acquisition of new customers, where paid in shares, are expensed over the longer time period of 5 years. In addition, share grants relating to various recruitment plans for Financial Advisors who are included among Key Personnel only after the plan is concluded may be covered by other fee provisions previously allocated.

⁵⁰ The amount includes, in particular, the bonuses paid in shares to Key Personnel of the subsidiaries BGFML, BG Valeur and BG (Suisse) Private Bank S.A.

1.2 Information on the share-based payment plans in connection to the Remuneration Policies

At 31 December 2025, there were four active cycles of share-based plans in connection to the Remuneration Policies relating to 2022, 2023, 2024 and 2025.

Moreover, a limited number of non-standardised entry plans envisaging a longer, multi-year deferment are active.

The main features of the share-based plan, linked to the **2022** Remuneration Policies and approved by the General Shareholders' Meeting on **21 April 2022**, are as follows:

- › for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock, calculated as the average official market price during the period 9 December 2021 to 9 March 2022, had been determined to be **36.0 euros**;
- › the fair value of Banca Generali stock at the assignment date had been equal to the market price reported on 22 April 2021 (approximately **32.35 euros**), subsequently adjusted to account for the loss of dividends expected in the longer deferral period.

In that cycle, total shares to be assigned to Key Personnel had amounted to **248.8 thousand**, for a total fair value of approximately **7.0 million euros**.

In 2025, **26.8 thousand shares**, referring to the second deferred instalment, were paid to the beneficiaries. Shares still to be assigned amounted to **54.8 thousand** and refer to the deferred instalments that will become payable from 2026 to 2028, respectively.

The main features of the share-based plan, linked to the **2023** Remuneration Policies and approved by the General Shareholders' Meeting on **19 April 2023**, are as follows:

- › for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock, calculated as the average official market price during the period 8 December 2022 to 8 March 2023, had been determined to be **33.18 euros**;
- › the fair value of Banca Generali stock at the assignment date had been equal to the market price reported on 19 April 2023 (approximately **30.34 euros**), subsequently adjusted to account for the loss of dividends expected in the longer deferral period.

In that cycle, total shares to be assigned to Key Personnel had amounted to **239 thousand**, for a total fair value of approximately **6.3 million euros**.

In 2025, **27.1 thousand shares**, referring to the first deferred instalment, were paid to the beneficiaries. Shares still to be assigned amounted to **82.9 thousand** and refer to the deferred instalments that will become payable from 2026 to 2029, respectively.

The main features of the share-based plan, linked to the **2024** Remuneration Policies and approved by the General Shareholders' Meeting on **18 April 2024**, are as follows:

- › for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock, calculated as the average official market price during the period 5 December 2023 to 5 March 2024, had been determined to be **34.26 euros**;
- › the fair value of Banca Generali stock at the assignment date had been equal to the market price reported on 18 April 2024 (approximately 35.45 euros), subsequently adjusted to account for the loss of dividends expected in the longer deferral period.

In that cycle, total shares to be assigned to Key Personnel had amounted to **376.8 thousand**, for a total fair value of approximately **11.5 million euros**.

In 2025, **193.9 thousand shares**, referring to the up-front portion, were paid to the beneficiaries. Shares still to be assigned amounted to **183 thousand** and refer to the deferred instalments that will become payable from 2026 to 2030, respectively.

The share-based plan linked to the **2025** Remuneration Policies was approved by the General Shareholders' Meeting on **17 April 2025**.

In this regard, it should be noted that, for the purpose of determining the number of shares to be assigned, the price of reference of Banca Generali stock was calculated as the average official market price during the period 4 February 2025 - 4 March 2025, whereas the value of the plan for IFRS 2 purposes was determined based on the monetary value of the variable remuneration payable in shares, discounted at the date of the General Shareholders' Meeting that approved the 2025 Remuneration Policy in question.

In respect of the assessment of the achievement by Key Personnel of the objectives set for 2025, it was estimated that the overall fair value of the plan calculated based on the portion of variable remuneration subject to share-based payment amounted to **11.7 million euros**, equal to an estimated amount of **221 thousand shares**.

The estimate of the shares in the process of accruing referring to the 2022-2024 three-year incentive plan launched by the Bank in 2022 that can be allotted to Key Personnel within Financial Advisors and Relationship Managers amounted to 130 thousand, for a total value of 2.8 million euros.

Other plans

There are other share-based plans, activated within the framework of the Remuneration Policies in force from time to time, which call for longer deferral periods of several years greater than those in effect when the plans were activated or, in any case, for vesting periods not in line with those envisaged in the Remuneration Policies.

In 2025, share-based payments in relation to new redundancy incentives plans were also recognised for a total amount of 167 thousand euros.

With regard to such plans, shares still to be assigned to Key Personnel are estimated at an amount just above 17 thousand, corresponding to an equity reserve of 0.5 million euros.

Plans of Intermonte

Following the voluntary tender offer on a 100% interest in **Intermonte Partners S.p.A.**, the parent company of the group of securities brokerage firms (SIM) of the same name, completed on 31 January 2025 with the ensuing delisting of Intermonte shares from the Italian Stock Exchange, it was necessary to amend the share-based payment plans activated by said group, in accordance with industry regulations, so as to allow the allotment of Banca Generali shares, instead of Intermonte Partners shares, which were no longer available and listed.

In this regard, it should be noted that the assignment price of Banca Generali shares was calculated as follows:

- › for prior years' incentive plans, for which the number of Intermonte shares to be granted had already been defined, based on the exchange ratio between the average market price of Banca Generali stock and Intermonte stock in January 2026 (approximately 15.59 euros);
- › for the 2024 incentive plan, for which the number of Intermonte shares to be granted had not been defined at that time, based on the market price of Banca Generali stock in the 30 days preceding the Board of Directors' resolution authorising the allotment of the shares (50.03 euros).

The total number of Banca Generali shares in service of Intermonte's incentive share-based plans in place at 31 December 2024 was set at just below 35 thousand, of which 23.9 thousand granted to the beneficiaries throughout 2025.

In compliance with the general principles laid down in Banca Generali Group's Remuneration and Incentive Policy and in accordance with industry regulations applicable to investment firms, Intermonte has adopted its own structure of remuneration and incentive schemes.

The objectives underlying the incentive schemes are defined in a specific regulation and may include capital and financial objectives (i.e., revenues, contribution margin) generated by the business areas (Global Markets, Sales & Advisory, Websim, Investment Banking) and adjusted to take into account the risk exposures.

The payment in shares is conditional not only upon the achievement of the Banking Group gates, but also to specific capital, liquidity and profitability gates (e.g., ROE).

If the variable component of the Key Personnel's remuneration exceeds 50 thousand euros and one fourth of ordinary remuneration, at least 40% of it is subject to deferred payment systems for a period of time of up to three years and will be at least 50% paid in Banca Generali shares.

In addition, specific loyalty and retention plans with distinctive characteristics were activated in 2025.

In respect of the assessment of the achievement by Key Personnel of the objectives set for 2025, it was estimated that the overall fair value of Intermonte's plans calculated based on the portion of variable remuneration subject to share-based payment amounted to **1.8 million euros**, equal to an estimated amount of **31.9 thousand shares**.

Some managers of Intermonte were also identified as beneficiaries of the 2025 Long Term Incentive Plan.

Quantitative information

In the reporting year, on the basis of the achievement of the performance objectives set out in the 2022, 2023 and 2024 Remuneration Policy, **259,248** treasury shares were granted to company managers and network managers, of which **207,988** shares assigned to Area Managers and Financial Advisors, **46,458** shares to employees, and **4,902** shares to other beneficiaries of Banking Group companies.

In detail, the shares allotted related, respectively, to the 2022 second instalment deferred by one year, the 2023 first deferred instalment, the 2024 up-front amount and, for a residual amount, to shares granted under previous years' plans based on different deferral mechanisms and with redundancy incentives for Key Personnel.

In addition, **23,394** treasury shares were allotted in relation to payment plans based on pre-acquisition Intermonte shares, for a total amount of **282,643 shares** in 2025.

	DEFERRAL	DATE OF SHARE-HOLDERS' MEETING	BANK OF ITALY'S AUTHORIZATION	ASSIGNMENT/PRICE AVERAGE	WEIGHTED FV	TOTAL SHARES (/000)	SHARES ALREADY ASSIGNED (/000)	SHARES ASSIGNED IN 2025	SHARES TO BE ASSIGNED (/000)	FAIR VALUE (€ MILLION)	IFRS 2 RESERVE (€ MILLION)
Year 2021	2022-2024	22.04.2021	01.07.2021	27.58	26.36	192.0	-192.0	-	-	5.1	-
Year 2022	2022-2027	22.04.2022	01.07.2022	36.00	28.29	248.8	-167.2	-26.8	54.8	7.0	1.2
Year 2023	2023-2028	19.04.2023	28.06.2023	33.18	26.36	239.4	-129.4	-27.1	82.9	6.3	1.5
Year 2024	2024-2029	18.04.2024	26.06.2024	34.26	31.83	376.8	-	-193.9	183.0	11.5	3.4
Year 2025 ^(*)	2025-2030	17.04.2025	29.07.2025	n.a.	n.a.	223.5	-	-2.6	221.0	11.7	7.9
Year 2022 three-year incentives	2022-2028	22.04.2022	28.06.2023	36.00	21.61	129.9	-	-	129.9	2.8	2.2
Other share-based plans for employees (entry plans, redundancy plans, etc.)				-	35.30	56.0	-30.0	-8.9	17.0	2.0	0.5
Total				-	-	1,466.4	-518.6	-259.2	688.5	46.4	16.5
Intermonte plans – prior years' plans (2021-2024)	(***)			n.a.	n.a.	34.7	-	-23.4	11.3	2.1	0.4
Intermonte plans for 2025 ^(*) ^(**)				n.a.	n.a.	31.9	-	-	31.9	1.8	0.8
Total				-	-	1,533.0	-518.6	-282.6	731.8	50.3	17.7

(*) Estimate based on the evolution of the stock price in the three-month period ended 4 March 2026.

(**) Net of the 2025 LTIP component related to Intermonte beneficiaries.

(***) Prior years' reserves continue to be reported in Intermonte Partners SIM's financial statements.

2. 2017-2026 Framework Loyalty Programme for the Sales Network

The *2017-2026 Framework Loyalty Programme for the Sales Network* was approved by the Board of Directors on 21 March 2017 and ratified by the General Shareholders' Meeting on 20 April 2017.

The Framework Loyalty Programme is divided into eight annual individual plans, all set to expire on 31 December 2026 and of decreasing lengths, to be activated following prior authorisation by the General Shareholders' Meeting of Banca Generali.

The indemnities accrued over the term of the Programme will be, in any event, paid out in one instalment, within 60 days from the General Shareholders' Meeting called to approve the 2026 Financial Statements.

For each plan, a portion of the accrued indemnity may be paid out in Banca Generali shares (up to a maximum of 50%), following an assessment of the potential effects at the level of capital ratios and floating capital by the corporate bodies (Board of Directors and General Shareholders' Meeting).

Participation in each of the plans envisaged by the Programme is reserved for Financial Advisors and Relationship Managers who have at least five years of company seniority by 31 December of the financial year before the reference year for each plan.

To be eligible to access the benefits of the plans activated it is necessary to:

- › achieve at the end of the reference year a minimum volume of total AUM and qualified AUM increasing over time and with no net outflows (vesting condition);
- › be regularly employed and not in a notice period on the disbursement date, except when the termination of employment is caused by death or permanent incapacity, retirement or withdrawal from the relationship by Banca Generali not for cause (service condition).

In the event of death, the indemnities accrued are understood to be permanently acquired, but are payable to the heirs under the same conditions specified for the other beneficiaries.

In addition, the accrued indemnity is commensurate for each individual plan with a rate for verified AUM and is differentiated according to the type of person (Financial Advisor/Relationship Manager) and service seniority until a cap is reached.

Recognition of the indemnities on the disbursement date is also subject to the Banking Group access gates being exceeded as defined in the Remuneration Policies applicable from time to time and the rules of propriety.

The number of Banca Generali shares due is determined in the same way as for the share-based payment plans connected with the Remuneration Policies, namely based on the average price of Banca Generali shares during the three months prior to the meeting of the Board of Directors that approves the draft Separate and Consolidated Financial Statements for the year prior to that of the annual plan of reference.

2.1 Measurement of fair value and accounting treatment

Without prejudice to the accounting framework already analysed in point 1.1 above, set out below are the specific details of the share-based payment plans that can be activated as part of the Loyalty Programme.

The fair value of Banca Generali shares for plan valuation purposes is determined based on the market stock price reported on the date of the General Shareholders' Meeting that approves their activation, adjusted to take account of the estimate of expected dividends that the Bank will distribute along all the time horizon, decreasing for each successive plan, running up to the date the shares are actually assigned.

The plans' impact on the profit and loss account is measured *pro-rata temporis* based on the vesting period, which decreases for each successive plan, i.e., the period between the year of reference and final maturity of the right to receive the shares, taking also into account the probability that the vesting conditions for the year will not be realised for all beneficiaries.

2.2 Information on the share-based payment plans linked to the Framework Loyalty Programme

For all the annual plans launched up to the reporting date, 50% of the indemnity accrued can be paid out in shares.

The accrued indemnity value was determined based on the AUM of the plan's potential beneficiaries at end of the year of reference, whilst the number of financial instruments that can be assigned was determined based on the same reference value as the Banca Generali stock applied to the Remuneration Policies in force in the respective years.

Overall, the total number of shares, either assigned or in the process of accruing, in service of the five plans amounted to about 1,413 thousand (1,391 thousand net of the estimated turnover), for a total value of 20.2 million euros, of which 16.1 million euros already recognised through profit and loss.

	MAXIMUM NO. OF SHARES	NO. OF SHARES NET OF THE ESTIMATED TURNOVER	PLAN'S FAIR VALUE	IFRS 2 RESERVE	2025 EXPENSE
	THOUSANDS OF SHARES		€ MILLION		
2017-2026 Plan	204	201	2.4	2.1	0.2
2018-2026 Plan	162	159	2.3	1.9	0.2
2019-2026 Plan	333	328	4.4	3.6	0.5
2020-2026 Plan	278	273	2.7	2.1	0.4
2021-2026 Plan	437	430	8.4	6.4	1.3
Total	1,413	1,391	20.2	16.1	2.6

3. Long Term Incentive (LTI) Plans

The Long Term Incentive (LTI) Plan, based exclusively on Banca Generali S.p.A. shares, is governed by Banca Generali's Remuneration Policies for Key Personnel and is approved annually by the Shareholders' Meeting of the Bank⁵¹.

The plan aims at increasing the value of Banca Generali shares, by further strengthening the link between the remuneration of beneficiaries and the performance of the Banking Group, without prejudice to the consistency required with the expected results set forth in the Insurance Group's strategic plan.

Up to financial year 2023, the performance objectives envisaged by the plans had assigned a weight of 80% to the Banking Group's objectives and 20% to the Insurance Group's objectives. Since 2024, the plan has been exclusively based on the Banking Group's objectives.

The main characteristics of the plans approved as of 2020 are:

- › the maximum number of the shares to be granted is determined at the beginning of the period of reference using a multiplier of the beneficiary's current remuneration;
- › each year, it is determined that the access gate conditions of the Banking Group and of the Insurance Group have been met with regard to the specific year of the plan, and the attainment of the objectives set at the beginning of the three-year period is assessed;
- › at the end of the three years, once it has been determined that the access gates have been exceeded, the overall level of achievement of the objectives set at the beginning of the three years is assessed on the basis of the average annual results achieved in order to determine the actual number of shares due;

⁵¹ For further details on the Plan, reference should be made to the Report on Remuneration Policy and Compensations Paid approved annually by the Shareholders' Meeting and published on the Bank's corporate website.

- › the total shares accrued are then disbursed to the plan beneficiaries, provided that there is still a professional relationship between the beneficiary and a Banking Group company (service condition) and that the access gates have been exceeded, through the free granting of ordinary treasury shares bought back on the market (stock granting), in two instalments:
 - 50% of the shares is assigned immediately, subject to a further retention period of one year;
 - the remaining 50% is subject to a deferral of two additional years, without prejudice to a retention period of an additional year;
- › the plan does not include dividend equivalent mechanisms, in accordance with the law and common practice in the banking sector;
- › the plans envisage the customary malus and claw-back clauses.

The level of achievement of objectives, expressed in percent terms, is determined separately for each basket, consisting in an indicator and the weight assigned to it, using the linear interpolation method on the basis of the reference levels set at the outset of the plan (minimum, target and maximum)⁵².

Here below is a presentation of the performance indicators defined for the plans activated up to now.

3.1 Measurement of fair value and accounting treatment

Without prejudice to the accounting framework already analysed in point 1.1 above, set out below are the specific details of the share-based payment plans that can be activated as part of the LTI plans launched by Banca Generali.

The number of shares due shall be valued separately for each plan year and for each of the weighted baskets linked to the objectives of the Banking Group and the Insurance Group.

In particular, baskets tied to the performance indicator formed by the Insurance Group's rTSR contain a market condition, whereas the other baskets are based on the achievement of performance conditions.

	WEIGHT OF BANKING/ INSURANCE GROUP'S KPIS	BANKING GROUP ACCESS GATES	INSURANCE GROUP ACCESS GATES	BANKING GROUP OBJECTIVES	INSURANCE GROUP OBJECTIVES
2020 LTI	80%-20%			1. tROE (50%) 2. Adjusted EVA (50%)	1. rTSR (50%) 2. Net Holding cash flow (50%)
2021 LTI	80%-20%	Total Capital Ratio (TCR)/ Liquidity Coverage Ratio (LCR)	Regulatory solvency ratio	1. tROE (50%) 2. Adjusted EVA (50%) 3. ESG AUM (correction factor from 0.8 to 1.2) ^(g)	1. rTSR (50%) 2. Net Holding cash flow (50%) 3. ESG indicators (correction factor from 0.8 to 1.2)
2022 LTI	80%-20%			1. tROE (40%) 2. Adjusted EVA (40%) 3. ESG AUM (20%) ^(g)	1. rTSR (45%) 2. Net Holding cash flow (35%) 3. ESG indicators (20%)
2023 LTI	80%-20%	CET1 Ratio /Liquidity Coverage Ratio (LCR)		1. tROE (40%) 2. Adjusted EVA (40%) 3. ESG AUM (20%) ^(g)	1. rTSR (55%) 2. Net Holding cash flow (25%) 3. ESG indicators (20%)
2024 LTI	100%	CET1 Ratio /Liquidity Coverage Ratio (LCR) ^(a)	n.a.	1. tROE (40%) 2. Adjusted EVA (40%) 3. ESG AUM (15%)/ average ESG rating (5%) ^(g)	n.a.
2024 LTI	100%	CET1 Ratio /Liquidity Coverage Ratio (LCR) ^(a)	n.a.	1. tROE (40%) 2. Adjusted EVA (40%) 3. carbon footprint of corporate investments (10%), training (5%), average ESG rating (5%) ^(g)	n.a.

(a) tROE (tangible – Return on equity): the ratio of recurring net profit and average adjusted net equity, calculated excluding net profit for the year and intangible assets.

(c) Adjusted EVA – Embedded value added: an indicator that expresses the value creation as the difference between recurring net profit and the cost of capital (Ke * average absorbed capital).

(e) rTSR – relative Total Shareholder Return: the total return on shareholder investment, calculated as the change in the market price of Generali Group shares, in which distributions or dividends reinvested in the shares are included, as compared to a peer group of competitors included in the STOXX Euro Insurance index.

(f) Net Holding cash flow (Generali Group): net cash flows available at the level of the parent company in a given period, after holding expenses and interest expense. Its main components, from a cash perspective, are: remittances from subsidiaries; the result of centralised reinsurance; interest on borrowings; and expenses and taxes paid or reimbursed at the level of the Parent Company.

(g) Sustainability indicators: for a more detailed description of sustainability indicators, reference should be made to the Report on Remuneration Policy and Compensations Paid approved annually by the Shareholders' Meeting and published on the Bank's corporate website.

⁵² In particular, the maximum performance level is associated with a percentage that, based on the different category of beneficiaries, may vary from 25% to 100% (from 87.5% to 175% for LTI plans before 2024).

Market conditions are assessed solely at the assignment date on the basis of a statistical model that estimates the probable future positioning of the rTSR for Generali shares compared to a peer group identified by the STOXX Euro Insurance Index for each plan year. The fair value of the rights associated with this plan component is thus determined by multiplying the fair value of a Banca Generali share at the assignment date by the level of achievement of the objective associated with the resulting positioning.

Baskets associated with the achievement of performance conditions are assessed on the basis of the fair value of a Banca Generali share and the number of shares potentially assignable.

In this case as well, the fair value of the Banca Generali share used for evaluating the plans is determined starting from the market stock price reported on the date of the General Shareholders' Meeting that approves their activation, adjusted to take account of the estimate of expected dividends that the Bank will distribute along all the time horizon, running up to the date the shares are actually assigned.

The total cost of the LTI plans is therefore equal to the sum of the cost calculated for each basket on the basis of the fair value of rights assigned, determined according to the above methods, multiplied by the number of shares that may potentially be granted in respect of the level of achievement of the performance condition, the market condition, the likelihood that the service condition will be met and the achievement of the minimum access gate.

The recognition through the equity reserve of the value of the plans — determined as described above — is measured *pro-rata temporis*, based on the vesting conditions, i.e., the period between assignment and final maturity of the right to receive the shares, likewise taking into account the probability that exercise conditions will not be realised for all beneficiaries.

In particular, for plans activated from 2020 onwards, the vesting period of the first instalment is three years, from the year of approval of the plan to the end of the final year of the three years of reference, whereas the vesting period of the second instalment starts at the end of the year before that of actual assignment of the shares (five years).

3.2 Information on the LTI (Long Term Incentive) share-based payment plans

In 2025, 94,026 shares were assigned, of which 45,202 related to the second instalment of the 2020-2022 LTI Plan and 52,563 shares related to the first instalment of the 2022-2024 LIT Plan.

Overall, the total number of shares in the process of accruing for the plans underway amounted to about 411 thousand, for a total value of 10.7 million euros, of which 6.5 million euros already recognised through profit or loss.

	NO. OF SHARES (THOUSANDS OF SHARES)				PLAN'S FAIR VALUE ^(*)	IFRS 2 RESERVE	2025 EXPENSE
	TOTAL	TO BE ALLOTTED	ALLOTTED	RESIDUAL	(€ MILLION)		
2020-2022 Plan (2023-2025 allotments)	85.6	42.8	-42.8	-	-	-	-
2021-2023 Plan (2024-2026 allotments)	123.4	61.7	-	61.7	1.3	1.3	0.2
2022-2024 Plan (2025-2027 allotments)	102.4	102.4	-51.2	51.2	1.2	0.9	0.2
2023-2025 Plan (2026-2028 allotments)	123.7	123.7	-	123.7	2.7	2.1	0.6
2024-2026 Plan (2026-2028 allotments)	96.6	96.6	-	96.6	2.6	1.4	0.7
2025-2027 Plan (2027-2029 allotments)	77.7	77.7	-	77.7	3.0	0.8	0.7
Total plans underway	609.3	504.8	-94.0	410.8	10.7	6.5	2.4

(*) Referring to instalments yet to be paid.

B. Quantitative information

The value of treasury shares assigned during the year was 11.3 million euros, against IFRS 2 reserves and contributions received by the Parent Company totalling 11.4 million euros, with a negligible positive net effect on the share premium reserve. New provisions were also allocated to the reserve for 17.6 million euros.

At 31 December 2025, total IFRS 2 reserves allocated with regard to payment plans based on Banca Generali shares therefore totalled 39.8 million euros, of which:

- › 16.4 million euros in relation to the Remuneration Policy;
- › 16.1 million euros in relation to the Loyalty Programme;
- › 6.5 million euros in relation to the Long Term Incentive Plans of Banca Generali;
- › 0.8 million euros referring to Intermonte SIM.

PART M – INFORMATION ON LEASES

Section 1 – Lessee

Qualitative information

With regard to qualitative information required pursuant to paragraphs 59 and 60 of IFRS 16, reference should be made to Part A, namely Part A.2 – Main Financial Statements Aggregates, Point 15 – Other information of these Notes and Comments.

Quantitative information

As regards quantitative information, reference should be made to the details given in these Notes and Comments, and in particular:

- › Rights of use acquired through leases in Part B, Section 8 – Property and equipment – Item 80, Table 8.1 Breakdown of operating property and equipment: assets measured at cost;
- › Lease debts in Part B, Section 1 – Financial liabilities measured at amortised cost – Item 10, Table 1.6 Lease debts;
- › Interest expense on lease liabilities/debts in Part C, Section 1 – Interests – Items 10 and 20, Table 1.3 Breakdown of interest expense and similar charges;
- › Other costs associated with rights of use acquired through leases in Part C, Section 10 – General and administrative expenses – Item 160, Table 10.5 Breakdown of other general and administrative expenses;
- › Depreciation of rights of use acquired through leases in Part C, Section 12 – Net adjustments/reversals of property and equipment – Item 180, Table 12.1 Breakdown of net adjustments of property and equipment.

Trieste, 4 March 2026

The Board of Directors

Independent Auditors' Report on the Financial Statements



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(The accompanying translated separate financial statements of Banca Generali S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Banca Generali S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Banca Generali S.p.A. (the "bank"), which comprise the balance sheet as at 31 December 2025, the profit and loss account, the statement of other comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Banca Generali S.p.A. as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the separate financial statements" section of our report. We are independent of the bank in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG S.p.A.
è una società per azioni
di diritto italiano
e fa parte del network KPMG
di entità indipendenti affiliate a
KPMG International Limited,
società di diritto inglese.



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Banca Generali S.p.A.
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Classification and measurement of financial assets and liabilities at fair value

Notes to the separate financial statements "Part A – Accounting policies" paragraphs: A.2.1 "Financial assets measured at fair value through profit or loss (FVTPL)", A.2.2 "Financial assets measured at fair value through other comprehensive income (FVOCI)", A.2.4 "Hedging transactions", A.2.12 "Financial liabilities held for trading" and A.4 "Information on fair value"

Notes to the separate financial statements "Part B - Information on the balance sheet - Assets" sections: 2 "Financial assets measured at fair value through profit or loss", 3 "Financial assets measured at fair value through other comprehensive income" and 5 "Hedging derivatives"

Notes to the separate financial statements "Part B - Information on the balance sheet - Liabilities" sections: 2 "Financial liabilities held for trading" and 4 "Hedging derivatives"

Notes to the separate financial statements "Part C - Information on the profit and loss account" sections: 4 "Net income (loss) from trading activities", 5 "Net income (loss) from hedging" and 7 "Net gains (losses) of other financial assets and liabilities measured at fair value through profit and loss"

Notes to the separate financial statements "Part E - Information on risks and risk hedging policies" sections: 1 "Credit risk - subsection E "Transfers" - paragraph C "Prudential consolidation - Transferred financial assets fully derecognised", 2 "Market risks" and 3 "Derivatives and Hedging Policies"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2025 include financial assets and financial liabilities at fair value totalling €4,273.7 million and €259 million, respectively. These financial assets and liabilities comprise assets and liabilities measured at fair value of €693.2 million and €189.1 million, respectively, for which there is no quoted price on an active market and which the bank's directors have classified at levels 2 and 3 of the fair value hierarchy. Classifying and, especially, measuring fair value levels 2 and 3 financial instruments require a high level of judgement given the complexity of the models and parameters used. For the above reasons, we believe that the classification and measurement of financial assets and liabilities at fair value are a key audit matter.	Our audit procedures included: — gaining an understanding of the bank's processes and IT environment in relation to the trading, classification and measurement of financial instruments; — assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls, especially in relation to the measurement of financial instruments with fair value levels 2 and 3. We carried out these procedures with the assistance of experts of the KPMG network; — checking, on a sample basis, that the financial instruments had been correctly classified on the basis of their fair value level; — for a sample of financial instruments with fair value levels 2 and 3, assessing the reasonableness of the main parameters used by the directors for their measurement. We carried out this procedure with the assistance of experts of the KPMG network; — analysing the changes in the composition of the financial instrument portfolios compared to the previous year end and discussing the results with the relevant internal departments; — assessing the appropriateness of the disclosures about financial instruments and related fair value levels.



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Measurement of provisions for liabilities and contingencies

Notes to the separate financial statements "Part A - Accounting policies": paragraph 10 "Provisions for liabilities and contingencies"

Notes to the separate financial statements "Part B - Information on the balance sheet - Liabilities": section 10 "Provisions for liabilities and contingencies"

Notes to the separate financial statements "Part C - Information on the profit and loss account": section 11 "Net provisions for liabilities and contingencies"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2025 include provisions for liabilities and contingencies of €329.6 million. These include €248.5 million relating to financial advisors' termination indemnities and incentive schemes and €81.1 million mainly relating to legal disputes, personnel-related costs and commercial actions aimed at compensating customers for potential losses arising from investments in illiquid products distributed by the bank. Measuring provisions for liabilities and contingencies is a complex activity, with a high degree of uncertainty, and also entails directors' actuarial-based estimates about the probability of payments, the expected payment timing and other historical and statistical parameters. For the above reasons, we believe that measuring provisions for liabilities and contingencies is a key audit matter.	Our audit procedures included: — understanding the process for the measurement of the provisions for liabilities and contingencies, assessing the design and implementation of controls and performing procedures to assess the operating effectiveness of material controls; — analysing the discrepancies between last year's and current year's estimates of the provisions for liabilities and contingencies and discussing the results with the relevant internal departments; — sending written requests for information to the legal advisors assisting the bank with pending legal disputes and the quantification of the related liability and checking the consistency of the information obtained with the elements considered by the directors to measure the provisions for liabilities and contingencies; — analysing the reasonableness of the assumptions used to estimate the main accruals to the provisions for liabilities and contingencies through discussions with the relevant internal departments and analysis of the supporting documentation; — analysing the reasonableness of the assumptions, actuarial assumptions and methods used by the directors to estimate the liability for personal financial advisors' termination indemnities. We carried out these procedures with the assistance of experts of the KPMG network; — assessing the appropriateness of the disclosures about the provisions for liabilities and contingencies.

Other matters - Management and coordination

As required by the law, the banks' directors disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to the bank's separate financial statements. Our opinion on the separate financial statements of Banca Generali S.p.A. does not extend to such data.

Responsibilities of the bank's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9



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of Legislative decree no. 38/05 and article 43 of Legislative decree no. 136/15 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the bank's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the bank or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the bank's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the bank to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 22 April 2021, the bank's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the bank in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The bank's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2025 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The bank's directors are responsible for the preparation of the reports on operations and on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the compliance of the report on operations, excluding the section that includes the sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;



Banca Generali S.p.A.

Independent auditors' report

31 December 2025

- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the bank's separate financial statements at 31 December 2025.

Moreover, in our opinion, excluding the section which includes the sustainability statement, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on the compliance with the applicable law does not extend to the report on operations' section which includes the sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Trieste, 24 March 2026

KPMG S.p.A.

(signed on the original)

Pietro Dalle Vedove
Director of Audit

Statutory Auditors' Report to the General Shareholders' Meeting

pursuant to Article 153 of Legislative Decree No. 58/1998

Shareholders,

The Board of Statutory Auditors (the “**Board**”) is required to report to the General Shareholders' Meeting of Banca Generali S.p.A. (hereinafter also “**Banca Generali**”, the “**Bank**” or the “**Company**”), convened, *inter alia*, to approve the Financial Statements for the year ended 31 December 2025, on the supervisory activity performed and any omissions and censurable facts identified, pursuant to Article 153 of Legislative Decree No. 58/1998 (“**TUF**”). This activity was carried out in accordance with the code of conduct recommended by the Roll of Certified Public Accountants and Commercial Experts, while also taking account of the provisions issued by Consob and the Bank of Italy, the instructions set out in the Corporate Governance Code and the provisions of Article 19 of Legislative Decree No. 39/10. The following information also takes account of Consob recommendations contained in Communication No. 1025564/2001.

It bears recalling that on 18 April 2024 the General Shareholders' Meeting of Banca Generali had appointed this Board of

Statutory Auditors until the approval of the Financial Statements for the year ending 31 December 2026, in the persons of Natale Freddi (Chairman), Paola Carrara and Gianmaria Garegnani (Acting Auditors). On the same date, the Board of Directors also granted the Board of Statutory Auditors the functions attributed to the Supervisory Board pursuant to Article 6 of Legislative Decree No. 231/2001.

During the year, the Board of Statutory Auditors met 20 times and 4 times in its capacity as Supervisory Body. It also took part in 21 meetings of the Board of Directors, 18 meetings of the Internal Audit and Risk Committee, 10 meetings of the Remuneration Committee, 11 meetings of the Nomination and Governance Committee, 10 meetings of the Sustainability and Innovation Committee and 14 meetings of the Credit Committee. The Board of Statutory Auditors also took part in the induction programme for members of the Bank's corporate bodies.

1. Supervisory activity concerning compliance with the law and Articles of Association

The Board of Statutory Auditors periodically obtained information from the Directors — including by participating in the meetings of the Board of Directors and its Board Committees — regarding the activity carried out and management actions undertaken. On the basis of the information available, it may reasonably confirm that those activities and actions were implemented in compliance with the law and the Articles of Association.

The significant events occurred during the year that the Board of Statutory Auditors deems appropriate for mention in light of their importance include:

- › a public voluntary exchange offer was launched by Mediobanca – Banca di Credito Finanziario S.p.A. for 100% of shares of the Bank and was declared lapsed following the resolution of Mediobanca's General Shareholders' Meeting of 21 August 2025;
- › on 24 September 2025, Banca Generali approved the plan for merging Intermonte Partners SIM S.p.A. After receiving the Bank of Italy's authorisation, the merger plan was filed with the relevant Registries of Companies. The transaction was finalised in February 2026;
- › on 31 October 2025, BG (Suisse) Private Bank S.A. acquired the Swiss Aequitum Group, registered as an Alternative Investment Fund Manager (AIFM) in Switzerland. Subsequently, the reverse merger of Aequitum Holding

SA into Aequitum S.A. was carried out, and, after obtaining the legal authorisations, BG Valeur S.A. was merged with the company resulting from the reverse merger. This new entity changed its company name into BG Aequitum S.A;

- › on 17 April 2025, following an extraordinary transaction that would lead to a change of control in Saxo Bank, the Board of Directors authorised the exercise of the put option envisaged by the partnership agreement with Saxo Bank in order to proceed with the disposal of the equity investment and the early termination of the joint venture. The sale & purchase agreement was reached at the end of December 2025 and is expected to be signed in the first quarter of 2026.

It should also be noted that, at 31 December 2025, the consolidated CET1 ratio was 17.1% and Total Capital Ratio (TCR) was 18.9%, compared to the new SREP minimum requirement of 8.7% and 13.2%, respectively. The main information on capital adequacy, risk exposure and the general characteristics of the systems implemented to identify, measure and manage said risks are illustrated in the Pillar 3 disclosures prepared pursuant to Part VIII of Regulation (EU) No. 575/2013.

With regard to relations with the Supervisory Authorities, the Board of Statutory Auditors was updated by the competent

company functions regarding the requests and inquiries made and the responses given. In turn, when requested, it provided responses to such Authorities on specific topics relating to

the reports received and the audits carried out by the Board of Statutory Auditors.

2. Supervisory activity concerning compliance with the principles of sound management

The Board of Statutory Auditors acknowledged and supervised the compliance with the principles of sound management by obtaining information from the Heads of the competent Control Functions and the Manager in charge of preparing the Company's financial reports, as well as from meetings with the Independent Auditors as part of the mutual exchange of relevant data and information. In the year, it also met several times with the Chief Executive Officer, the Deputy General Managers and other top managers at the Board of Directors' meetings, the Board Committees' meetings or at other ad-hoc meetings, to obtain information regarding operating performance, the internal control system and main company risks. During such meetings, the Board of Statutory Auditors observed the regular, constant flow of information from the main corporate operating functions and, in the case of the Board of Directors, its constant updating on the activities of the Bank and its subsidiaries.

The Board of Statutory Auditors may therefore reasonably state that the transactions carried out are inspired by the principles of sound management, and that management decisions were made on the basis of adequate flows of information and awareness of their risk level.

In particular, as regards the most significant economic, financial and equity transactions implemented by the Bank, subject to supervisory activity, the Board of Statutory Auditors may reasonably confirm that they were implemented in compliance with the law, Bank of Italy Circular No. 285/2013 and the Articles of Association and were not manifestly imprudent, risky, in conflict with the resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the Compa-

ny's assets. The transactions in which Directors had an interest were approved in accordance with the law, regulations and Articles of Association. As part of the information provided on the preparation of the annual and half-yearly financial statements, the information pursuant to Article 150 of TUF was provided by the Chief Executive Officer and also by the Manager in charge of preparing the Company's financial reports.

In addition, — based on the financial report, the information received during the Board of Directors' meetings and the information provided by the Group's Head of Internal Audit, by the Boards of Statutory Auditors of the main direct subsidiaries and by the Independent Auditors —, the Board of Statutory Auditors determined that there had been no atypical and/or unusual transactions with companies of the Banca Generali Banking Group (the "Group"), third parties or related parties, i.e., transactions that, in view of their characteristics, may give rise to doubts as to the correctness/completeness of the information in the financial statements, conflicts of interest, integrity of company assets and the protection of minority shareholders.

No issues came to light from the meetings held with the Chairman of the Board of Statutory Auditors of Generfid S.p.A. and the management bodies and the Internal Audit Function of BG Fund Management Luxembourg S.A., BG (Suisse) Private Bank S.A., BG Aequitum S.A. and Intermonte SIM S.p.A., or from the examination of the Directors' reports included in the financial statements. Likewise, at such meetings, no issues were reported relating to the activities carried out, where required, in our capacity as Supervisory Body pursuant to Legislative Decree No. 231/2001.

3. Supervisory activity concerning adequacy of the organisational structure

The Board of Statutory Auditors supervised the adequacy of the Bank's organisational structure by holding meetings with the latter's operating functions, and in particular with the Chief Operation Office & Innovation Area and the Organisation & Projects function, in order to verify the adequacy of the company structure, system of delegated powers, internal control and risk management system and information flows.

The Bank's organisational structure stems from a continuous commitment to improving efficiency and aligning with the objectives set out in the Strategic plan, which provides for the ongoing growth of the Bank and the network, the strengthening and enhancement of skills, a competitive and technological context and an evolving legal and regulatory framework. The organisational structure did not change substantially during the year, although the process of rationalising some of its internal structures continued, with particular emphasis on the activities of the Deputy General Manager Products, Wealth and Asset Management and the Deputy General Manager Distribution, both reporting to the two Vice General Managers.

The Board of Statutory Auditors found no significant issues, and has no recommendations to submit.

The Board of Statutory Auditors also supervised the proper performance of the management and coordination activities carried out by the Bank as Parent Company and has no observations to make in this regard.

In fact, the Parent Company performs its steering and governance tasks and provides support to its subsidiaries, in accordance with the Consolidated Law on Banking (TUB), supervisory regulations and Group regulations, adopting risk management procedures and internal control mechanisms that ensure coordinated, unified management of the various Group companies in order to:

- › ensure satisfaction of the requirements imposed by supervisory regulations at Group level;
- › safeguard the profitability and value of the equity investments of the Parent Company and all its subsidiaries;
- › avoid any harm to the integrity of the assets of each Group entity by also providing instructions through specific instruments, such as Group regulations and policies on specific subjects.

The Board of Statutory Auditors supervised the adequacy of the instructions provided by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of TUF.

4. Corporate governance

The Board of Statutory Auditors assessed the methods whereby the Borsa Italiana Corporate Governance Code adopted by the Bank was implemented, according to the terms illustrated in the “2025 Report on Corporate Governance and Ownership Structure” (the “**Corporate Governance Report**”). It should be noted that the corporate bodies also acknowledged the latest recommendations formulated in the letter from the Chair of the Corporate Governance Committee of 18 December 2025.

In line with the legislation of reference, Banca Generali's Board of Directors, with support from the external professional Spencer Stuart — appointed as independent expert for the 2024-2026 three-year term — launched the 2025 annual self-assessment on the functioning of the Board and Board Committees, as well as of their size and composition.

The Board of Statutory Auditors as well performed its 2025 annual self-assessment to evaluate its functioning, size and composition. The results of the two self-assessments are reported

in detail in the Corporate Governance Report.

Furthermore, during the year the Board of Statutory Auditors verified that the Statutory Auditors met the relevant requirements in accordance with the MEF Decree No. 169 of 23 November 2020, as well as, in general, with the applicable legal, regulatory and self-regulatory provisions in force. In detail, pursuant to Article 23 of the MEF Decree, the Board of Statutory Auditors conducted new specific assessments of the continuing satisfaction of its members' eligibility requirements and criteria, including those of independence and absence of causes of incompatibility, where supervening events might have affected possession of such requisites.

Additionally, during the year the Board of Statutory Auditors verified the proper application of the assessment criteria and procedures adopted by the Board of Directors to assess possession of the fit and proper requirements of its members, pursuant to applicable legislation.

5. Supervisory activity concerning transactions with related and connected parties

The Board of Statutory Auditors supervised the compliance with applicable legislation of the Policy for Transactions with Related Parties, Connected Parties and Corporate Officers pursuant to Article 136 of TUB (the “**Policy**”) adopted by the Bank on this matter (as most recently updated on 22 June 2023) and its proper application, participating in all the meetings of the Internal Audit and Risk Committee — which also acts as the Committee for the preliminary review of transactions with related and connected parties and is tasked with issuing the related opinions required by applicable legislation, as established by the relevant Policy — and periodically receiving and analysing information regarding the transactions performed. The Board of Statutory Auditors has no record of related and connected party transactions undertaken in conflict with the Company's interest.

In 2025, one transaction qualifying as a “transaction of greater importance” — with such characteristics that do not enable the application of the exemptions provided for by related party regulations — was carried out and entailed the obligation to disclose the related information document to the market. In detail, on 17 April 2025, Banca Generali's Board of Directors resolved to sign an addendum amending and supplementing the deed for the distribution of insurance products in place between Banca Generali and Generali Italia S.p.A. (signed in March 2018), also joined by Genertellife S.p.A., subsequently replaced by Alleanza Assicurazioni S.p.A. as a result of the merger of Genertellife S.p.A., effective 1 January 2025.

On 5 November 2025, the Banks' Board of Directors approved a related party transaction qualifying as an ordinary transaction

of greater importance concerning the issuance, by 31 December 2025, of a preferred senior bond (unsubordinated and unsecured) eligible for MREL purposes, pursuant to Articles 72-bis and 72-ter of Regulation (EU) 575/2013, for an aggregate nominal value of 100 million euros, to be subscribed by Assicurazioni Generali through private placement. To support its assessment, the Bank's Board of Directors acquired and examined the fairness opinion issued by the financial advisor Deloitte, attesting to the fairness of the general economic terms of the instrument compared to those observed on the market for similar instruments.

In addition, transactions qualifying as “transactions of lesser importance” were undertaken with related parties, as illustrated in detail in the Directors' Report on Operations, in addition to “ordinary or recurring transactions” effected at arm's length, the effects of which are analysed in the dedicated section of the Notes and Comments.

The Board of Statutory Auditors verified that in the Report on Operations and the Notes and Comments the Board of Directors provided adequate disclosure of transactions with related and connected parties and intragroup transactions in light of applicable legislation.

Following a review of the activity carried out by the various functions covered by the Policy and discussions with the Internal Audit Function, the Board of Statutory Auditors believes that transactions with related and connected parties are adequately supervised and, to the best of its knowledge, that the Policy was properly applied.

6. Supervisory activity concerning the internal control and risk management system

The Board of Statutory Auditors supervised the adequacy of the internal control and risk management system mainly through:

- › meetings with the Bank's top managers, the purpose of which included examining the internal control and risk management system;
- › periodic meetings with the Heads of the Internal Audit, Compliance and Anti-Money Laundering, and Risk Management Functions (hereinafter the **"Control Functions"**) in order to assess the methods of planning of the work, based on identifying and assessing the main risks present in processes and in organisational units;
- › examination of the Control Functions' periodic reports (Tableaux de Bord and annual Reports) and of periodic reports on the results of monitoring of the implementation of the remediations identified;
- › acquisition of information from the Heads of other Corporate Functions;
- › meetings with the control bodies of the main subsidiaries pursuant to paragraphs 1 and 2 of Article 151 of TUF during which the Board of Statutory Auditors obtained information on the matters deemed material, affecting Group companies and the internal control system;
- › discussion of the results of the Independent Auditors' work;
- › participation in the proceedings of the Internal Audit and Risk Committee, acquiring information on the criticalities considered of particular interest to the Board of Statutory Auditors' activity.

Banca Generali has adopted, and constantly updates, the Internal Control System Policy, which identifies the bodies and functions involved in the definition of the internal control system, the methods and tools for identifying and assessing risks, coordination between control functions, the Banking Group's internal control system and reports and flows of information. The system is structured on three levels: the first level performs line controls aimed at ensuring the proper performance of transactions; the second level concerns the monitoring of risks and compliance; and the third is aimed at identifying breaches of procedures and internal regulations.

With reference to the first-line controls, Banca Generali has operational procedures in place (process flows) that relate to all activities carried out and identify the activities, roles, tools and line controls according to the company process tree. These procedures are constantly updated by the Normativa & Regulatory Hub, within the structure of the General Counsel & Sustainability department to bring them into line with changes in external and internal rules and regulations, the organisational structure and operating methods and to incorporate the suggestions for improvement that emerge from the activities performed by the Control Functions.

With regard to the second- and third-line controls, the Board of Statutory Auditors engaged in constant dialogue with the Control Functions in carrying out its activities. In addition to the Business Functions and Control Functions, the functioning of the control system also involves the Parent Company's Supervisory Board pursuant to Italian Legislative Decree 231/2001, whose activity is described in a subsequent chapter.

The Control Functions submit periodic reports to the Board of Directors and the Board of Statutory Auditors on the activities performed and their main observations. Each quarter, the

Tableaux de Bord are presented; these are informational documents that provide an update on the risks and state of progress of the annual plan of each Function. At the end of the year, as required by the law, the Functions submit an annual Report, which, in addition to underscoring the work done during the year, concludes with a concise assessment of the adequacy of the internal control system with regard to matters within their purview.

On a quarterly basis, the Control Functions submit a Remediation Integrated Report, illustrating by grading and maturity these remediations for each Corporate Control Function, thus allowing to monitor their implementation.

The Board of Statutory Auditors acknowledges that the annual Reports of the Compliance, AML and Risk Management Control Functions, each for the aspects within their respective remit, conclude with a mostly adequate opinion of the structure of the Company's internal control system. With regard to the Internal Audit Function Report, the assessment of the internal control system takes account not only of the findings of the Function's activity, but also of the outcome of the of second-line Functions' activities. The Internal Audit Function Report thus concludes with an Overall Adequate opinion in terms of the completeness, adequacy, functionality and reliability of the internal control system.

The Board of Statutory Auditors also acknowledged the Board of Director's assessment of the internal control system, which was deemed mostly adequate, also in light of the Internal Audit and Risk Committee's opinion.

The **Group's Internal Audit Function** operates based on three-year and annual plans prepared and developed for Banca Generali and the individual subsidiaries of the Banking Group, in line with the provisions of the outsourcing contracts of the Internal Audit service to the Chief Audit Office of the Parent Company of the Banking Group.

The Group's three-year plan sets the expected objectives and contains information on process and risk coverage through audits. Over the three-year period, assurance is provided on all the processes identified as part of the risk assessment in order to define, according to a risk-based approach, the priorities and the frequency of interventions, in line with the methodology adopted. The annual plan defines, in line with the three-year plan, the specific activities and processes to be audited during the year. The above plans are submitted to annual approval by the Board of Directors and are updated, including during the year, in case of significant changes.

The annual report on the Internal Audit Function relating to the year indicates that all activities planned were concluded at the date of this report. No significant issues emerged with regard to the audits performed. However, the control activities performed (including at Group level) identified a need for the competent Corporate Functions to implement remedial actions to mitigate the risks inherent in some processes and operating practices, typical of the banking business.

In the Outsourcing & ICT Third Parties Management, an organic and gradual consolidation of the governance model is underway, in compliance with the evolution introduced by the DORA Regulation and in line with the EBA Guidelines. The en-

gements carried out confirm the presence of an overall adequate context, with contractual control measures, structured classification and due diligence processes and a consolidated management reporting. Nonetheless, in the ICT Third Parties area, a further strengthening of the control measures in Business Continuity, of the procedures to define and identify concentration risk and a better definition of the controls performed in compliance with the applicable regulations is necessary.

The elements addressed as part of the remedial actions during the year do not jeopardise the reliability of the internal control system, which thus confirmed to be overall adequate.

The Function performs this activity also in outsourcing for subsidiaries and, as of 2025, for Intermonte as well. With regard to the latter, the results of the activity were “partially adequate” relating to the control measures applied in the AML area, in order management and best execution, and ICT security which, under several aspects, also impact the internal control system at Group level. The necessary remedial actions were in any case activated and are still underway, thus substantially in line with the deadlines set.

Interaction between the Board of Statutory Auditors and the Internal Audit Function was constant over the year, as the Function took part in most meetings of the Board of Statutory Auditors. In any case, the Function informs the Board of Statutory Auditors promptly of any issues or areas of concerns that might emerge from its activities.

Upon definition of the 2026 annual audit plan by the Function, the Board of Statutory Auditors formulated its observations on the most relevant topics, making suggestions with a view to improving both processes and contents.

The **Compliance Function** carries out a preliminary assessment of internal procedures’ suitability and provides support and advice with applicable regulations, in addition to verifying ex-post compliance of company processes so as to ensure that operational processes are designed and implemented consistently with the regulatory framework.

Audits revealed an overall medium-low exposure to the risk of non-compliance, in light of the overall design and effective operational development of company processes, despite identifying the following areas requiring enhanced oversight: (i) securitisations of trade receivables requiring thorough assessment of possible measures to protect customers, including those of informational nature; (ii) fine-tuning of measures already in place in compliance with regulatory provisions (reporting obligations, instant payments) and prompt alignment with regulations soon to enter into effect; (iii) the Bank’s projects with impacts on the business model (e.g., integration of Intermonte, Investlinx) and personal data processing, including in light of the external context (an increasing number of regulations in the IT area, attention of Authorities and, more generally, an increase of IT risks).

With regard to control activity relating to the distribution network, there continues to be a need to keep high levels of supervision, in addition to further reinforcing them to pursue constant improvement in the efficient monitoring of various risk elements. Within this framework, attention should also be drawn to the constant efforts to raise the awareness of the distribution network of the implementation of the remediations requested by the Network Control Function.

With reference to complaints — relating to both investors and consumers — each quarter the Function presents its observations relating to the overall situation of complaints, based on the data provided by the Function tasked with managing it (number of complaints, those that resulted in litigation and reimbursements paid by the Bank during the period). In light of the limited number of complaints received on banking and financial services and of their nature and diversification, the Function did not detect any new compliance-related issues in relation to the processes concerned.

In the forthcoming year, the Function will continue to monitor the regulatory developments underway (i.e., in the areas relating to Saving and Investments Union, Retail Investment Strategy, Open Finance, etc.) so as to detect the related impacts and promptly define the activities to comply with it, and will analyse the necessary risk management measures regarding business projects (e.g., Intermonte, Investlinx, etc.).

The Compliance Function supported the Data Protection Officer with the activities set out in the GDPR and in data protection regulations. The Annual Report of the Data Protection Officer was presented to the Board of Directors on 20 March 2026 and sets out the activities carried out in 2025. The Report identifies particularly important topics such as the traceability of bank transactions pursuant to Provision 192/2011, as well as the data breach suffered by the provider Infocert S.p.A. and the ensuing notifications that the Bank submitted to the Data Protection Authority. The Report’s conclusions confirm the overall suitability of the said control measures to protect personal data.

The Compliance Function prepared the “Annual Report on the Proper Functioning of the Whistleblowing System” for 2025, in which it is stated that the Policy was updated in November 2025 and that no problems were detected with regard to the functioning of internal whistleblowing systems, including in the tests performed on the systems in question. However, five reports were received that gave rise to the necessary inquiries within the deadlines set by regulations.

The **Anti-Money Laundering Function** performs all the tasks assigned to the Function as identified by Supervisory Provisions and the AML Policies of Banca Generali Group, described in detail in the Annual Report.

It carries out its activities also for the fiduciary subsidiary Genefid in light of the common customer base, in addition to performing management and coordination of the similar functions established within subsidiaries (BG Aequitum, BG Fund Management Lux, BG Suisse Private Bank and Intermonte SIM).

In particular, in 2025 the Function supervised the proper fulfilment of the customer due diligence obligations through ex-post controls on compliance with the requirements, so as to ensure that processes were actually carried out in accordance with applicable regulations.

As regards customer profiling, it should be noted that the Board of Directors, convened on 19 January 2026, approved the proposal to redefine the RAF thresholds, as follows: *Risk Appetite* 4.5% and *Risk Tolerance* 5.0%. The redefinition of the RAF thresholds is aimed at maintaining them in line with the evolution of the banking industry, also taking account of the characteristics of customers of Banca Generali and the relevant (private) peer group.

In terms of “active cooperation”, the Anti-Money Laundering Function constantly assesses and analyses in detail the proposed reporting of suspicious operations received from both HQ structures and Branches and from Financial Advisors.

The Function also performs ex-post checks to identify possible anomalous operations performed by customers, with a view to ensuring that processes are not only designed, but also actually implemented and executed in compliance with the regulatory framework. The Function also constantly monitors the progress of remediations required at the end of the periodic checks performed.

In light of the auditing activities performed in 2025 and the overall outcome of checks outlined in the annual risk self-assessment, the Function expressed a “mostly adequate” opinion on the AML/CFT control system implemented by the Bank in terms of its completeness, suitability, functionality and reliability. After the annual AML risk-assessment activity, residual risk confirms in fact to be LOW, as in the previous year. Assessment also took account of the overall improvement actions implemented, including following the 2025 Bank of Italy’s audit on transaction monitoring.

The **Risk Management Function**’s activity is aimed at ensuring that the Banca Generali Group’s risk levels are kept consistent with the risk strategies and the risk profile, and in line with the risk limits and tolerance thresholds established by the Board of Directors in the Risk Appetite Framework (RAF) and in the Recovery Plan. No significant issues worthy of attention were brought to light during the work done over the year.

The year 2025 witnessed a strengthening of control measures. The following are worthy of note: i) the completion of several remediations in relation with operational, ICT and reputational risks; ii) the definition of a control framework for the operations of the newly-acquired company Intermonte in order to monitor risks, especially market and counterparty risks, also with a view to the capital absorption estimated according to regulations for the banking sector; iii) the implementation and fine-tuning of the assessment methodologies brought in line with DORA Regulation, in particular: (i) ICT & Security Risk Assessment, (ii) risk assessment on ICT Third Parties (iii) risk assessment on ICT projects. Moreover, the activity was integrated by the design and implementation of the applications for the execution of ICT & Security Risk assessments on processes and ICT Third Parties; iv) the improvement of the asset and liability management (ALM) systems, through the updating of the parameters underlying the PAV and CSRRB models, and of the framework to monitor the rate risk profile of the banking book, in compliance with regulations concerning basis risk monitoring, also by defining differentiated shock scenarios on each market curve (multicurve framework); v) the development of tools for analysing the potential risks that may arise from the adoption of new technologies: methodological evolution to integrate assessments with specific risk measurements deriving from emerging technologies, such as Artificial Intelligence (AI), also taking account of regulatory developments (e.g., the AI ACT).

From the assessment of the risk management process the need emerged to continue to consolidate data quality and risk analytics (with regard to market risk and ESG), update risk models (with regard to basis risk in the ALM, PAVs behavioural models, CSRRB and the credit risk arising from loans to customers, the accepted internal rating model) and, more generally, to formalise a risk governance model framework at Group level.

Moreover, in light of the acquisition of Intermonte, the Chief Risk Office intends, as part of the project to implement the new front office system (Murex), provide the investment firm (SIM) with metrics for an adequate risk assessment and methodologies for the fair value measurement of transactions involving derivatives and structured products, in line with the Group’s governance and methodologies. With regard to ICT and IT security risks, an evolution of the ICT & Security Risk Management framework is expected, through the adoption of web applications. In addition, in accordance with the Insurbanking strategy, the asset management check and monitoring framework will be strengthened.

The Board of Statutory Auditors examined the Internal Capital Adequacy Assessment Process (ICAAP) documents, which quantify the current and prospective internal capital to be held for the risks to which the Group is exposed, as well as those for liquidity (ILAAP), which aim to assess the adequacy of the liquidity held by the Bank. Both documents were approved by the Board of Directors on 17 April 2025. The ICAAP and ILAAP confirm the adequacy of the Bank’s capital and liquidity. The Board of Statutory Auditors formulated its observations also on the basis of the Report of the Internal Audit Function, which acknowledges compliance with regulations.

The Board of Statutory Auditors examined the new Risk Appetite Framework (RAF) with effect from 2026, taking account of the recommendations of the Supervisory Authorities and of the regulatory indications. The structure of primary and complementary indicators remained unchanged compared to the previous year, except for the inclusion among primary indicators of the RWA-related ratio (TREA) in view of the application of the new MREL thresholds as of 1 January 2027. Moreover, estimates relating to capital ratios were updated based on the third-quarter 2025 risk profile and keeping as still valid the 2025 forecasts included in the last Plan. Lastly, the thresholds of the AML High Risk Profile Ratio were updated to maintain it in line with the industry trends. The RAF confirms the Bank’s solidity, with capital and liquidity ratios above the minimum regulatory requirements.

Adequacy of Control Functions

In order to assess the internal control system, particular importance is attached to the analysis of the operational procedures and methods that the Control Functions adopt to pursue their objectives, as well as the suitability of their staff. The Control Functions operate on the basis of procedures that are approved by the Board of Directors and kept up to date, and analyse in detail the activity to be carried out. At the level of resources, the Board of Statutory Auditors liaised with all Control Functions and expressed its opinion on the appropriateness of resources at the end of 2025 in consideration of the Functions’ activity plan for 2026, requesting constant updates on their adequacy.

The Board of Statutory Auditors oversaw the remuneration of the control functions, for purposes of the variable component payment. In concert with the Remuneration Committee and the Internal Audit and Risk Committee, it analysed the scorecards of their qualitative performance in terms of the objectives set for 2025.

Cyber risk and business continuity

The Bank prepared the “Summary Report on the ICT and Cyber-Security Risk Situation”, which provides the main outcomes on IT risk management relating to 2025, in compliance with the provisions of the Bank of Italy Circular No. 285 of 17 December 2013 (as subsequently amended) and the Regulation

(EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 — “Digital operational resilience for the financial sector” (DORA), which provide for the adoption of an integrated model for managing, assessing and dealing with corporate risks.

In 2025, the Bank executed the DORA programme, which included the consolidation of line processes and the implementation of the ICT and IT security risk management framework.

As required by the DORA Regulation, the areas subject to assessments with regard to ICT and IT security risks were identified in: (i) processes – assessments through an annual campaign; (ii) third parties, i.e. Outsourcers and ICT suppliers – periodic assessments and on an event basis; (iii) ICT projects – assessments on an event basis.

A medium/medium-low risk emerged from the assessment of the three areas. Medium risk is chiefly attributable, in keeping with the previous year, to the outsourcer CSE with regard to both processes and the outsourcer's quality due to the full outsourcing model, which also generates a concentration risk. In the processes area, the remedial actions were identified with regard to the control measures in place and the governance of applications. Some of the said actions are already being implemented. As far as Outsourcers and ICT Suppliers are concerned, although the control mechanisms and the measures adopted are robust and effective, an implicit residual risk still remains, which qualifies as medium, but with a high concentration risk, in relation with the full outsourcing model adopted by the Bank.

With regard to the implementation status of security initiatives, the main security operational activities concerned (i) Incident Management; (ii) Fraud Management; (iii) Analysis of Security Threats; (iv) Physical Security; (v) Event Security; (vi) Trip Security. Overall, the main KPIs indicate adequate security levels, with improvement points identified and addressed in the 2026 plan.

The main interventions planned in the 2025 security plan have been completed. Some project activities will continue in 2026, ensuring an evolution in terms of extension of their scope and effectiveness of the supporting technological solutions (e.g. projects linked to Identity and Access Management systems, third-party security).

As far as fraud is concerned, it should be noted that most of the amounts have been recovered.

As for operational continuity, several operational continuity and disaster recovery test sessions were conducted in 2025 and the first quarter of 2026, aimed at assessing the responsiveness and effectiveness of the operational continuity strategy in case of critical issues and significant disruptions. Test results were positive, confirming the solidity of the measures adopted.

Based on the work carried out, the information acquired, the content of the annual reports of the Control Functions, and particularly the overall favourable opinion expressed by the Control Functions regarding the internal control system, the Board of Statutory Auditors considers that there are no significant issues such as to affect the structure of the internal control and risk management system.

7.1 Supervisory activities regarding the administrative accounting system and the financial reporting process

The Board of Statutory Auditors, in its capacity as Internal Control and Audit Committee pursuant to Article 19, paragraph 2, letter C) of Legislative Decree 39/2010, monitored the process and checked the effectiveness of the internal control and risk management systems with regard to financial reporting, overseeing compliance with the general principles on financial reporting adopted by the Group, based on the provisions of the Group Policy on the subject.

Financial reporting is monitored by the Manager in charge of preparing the Company's financial reports (hereinafter the “**Manager in Charge**”), adopting models that refer to best market practice and that provide reasonable security on the reliability of financial reporting, on the effectiveness and efficiency of operating activities and on compliance with laws and internal regulations. The processes and controls are reviewed and updated annually.

In 2025, work continued to keep the mapping of processes up to date in line with the project initiatives carried out, the new operating methods and organisational changes. The approach adopted — the 262 Model — provides for the application of internationally recognised methodological standards, including the Internal Control of Sustainability Reporting Framework (Co.SO. ICSR Framework), and the adoption of tools for monitoring and ongoing revision so as to strengthen the effectiveness of the governance and control system. Control of the proper functioning of the 262 model adopted by the Bank is ensured by a series of self-assessment checks carried out by the individ-

ual process owners, supplemented by checks implemented by an audit firm. On a six-monthly basis, the Board of Statutory Auditors receives from the Manager in Charge the results of this activity and assesses the results thereof.

The Board of Statutory Auditors met the Manager in Charge at regular intervals to exchange information on the reliability of the administrative-accounting system for purposes of representing operating events correctly and verified the Attestation of the Annual Integrated Report pursuant to Article 154-bis of TUF, issued by the Chief Executive Officer and the Manager in Charge, which certifies the adequacy and effective application of the administrative and accounting procedures for preparing the Annual Integrated Report during the 2025 financial year.

With regard to the preparation of the financial statements and consolidated financial statements, it should be noted that they have been prepared, in accordance with Legislative Decree 38/2005, according to the international IAS/IFRS standards issued by the IASB (International Accounting Standard Board) that have been approved by the European Commission, as established by Community Regulation 1606/2002, and following the indications of Circular No. 262/2005 published by the Bank of Italy. The Board of Statutory Auditors reports the following:

- › no new international accounting standards, amendments to existing standards or related interpretations with a material impact on the Banking Group's operations entered into effect in financial year 2025;
- › the Bank holds in its UCITS portfolio the Forward Fund, an

Italian AIF managed by Gardant SGR. The fund was subscribed in 2021 as part of the restructuring of a portfolio of senior notes issued by several special-purpose vehicles in the securitisation of healthcare receivables (past-due or related to disputes), which Banca Generali purchased from its customers and concurrently transferred to the Fund. At the end of 2025, the value of the Fund was 479.4 million euros. In 2025, a capital loss of 6.3 million euros was recorded on the fund, with a cumulative capital loss that therefore rose to 10.6 million compared to the 4.3 million recognised at the end of 2024;

- › during the year, additional non-recurring provisions and value adjustments were made for an amount of 61.5 million euros. These provisions and value adjustments are aimed to cover commercial activities aimed at restoring customers' potential losses resulting from investments made in illiquid products distributed by the Bank that were marked by investment repayment issues, for which civil and criminal litigation is currently ongoing with the party that set up, marketed and managed these transactions and to sustain

customer retention;

- › at its meeting on 11 February 2026, the Board of Directors approved the impairment process, as required by the joint Bank of Italy/Consob/ISVAP document of 3 March 2010.

The Independent Auditors, in their regular meetings with the Board of Statutory Auditors, did not report elements that could affect the internal control system concerning administrative and accounting procedures.

The Board of Statutory Auditors ascertained that the flows provided by the non-EU subsidiaries of significant importance are adequate to conduct the control of the annual and interim accounts as required by Article 15 of the Market Rules.

Based on the above, no evidence emerged of significant deficiencies that could affect the judgement of the internal control system's adequacy with regard to the financial reporting process and the reliability of administrative-accounting procedures in representing the operating events.

7.2 Supervisory activities regarding sustainability reporting

The Board of Statutory Auditors, in the exercise of its functions, has overseen compliance with the provisions contained in Legislative Decree No. 125 of 6 September 2024, in particular with reference to the drafting process and the contents of the Sustainability Statement drawn up by Banca Generali.

The main sustainability governance structures chiefly consist of the Board of Directors, the Sustainability and Innovation Committee, the Remuneration Committee and the Internal Audit and Risk Committee. In particular, the Sustainability and Innovation Committee, pursuant to its Regulation, i) supports the Board of Directors in integrating sustainability into the definition of corporate strategies; ii) provides a prior assessment of the strategic ESG-related proposals for updating the Sustainability Policy; iii) monitors on a regular basis the main sustainability-related KPIs; iv) examines the general outline of the Sustainability Statement contained in the Annual Integrated Report and its content organisation, as well as the completeness and transparency of the information it provides, expressing its observations in this regard to the Board of Directors called to approve the said Statement.

In 2025, the Board of Directors and/or the committees — each for the matters falling under its remit — received regular reports and, where required, were called on to resolve on sustainability matters. The areas subject to disclosure included in particular the Transition Plan, the approach to sustainable finance, the updating of the Sustainability Dashboard with the introduction of new KPIs on individual material impacts, risks and opportunities, the remuneration policies and their ESG targets, the monitoring of the Action Plan on climate-related and environmental risks, and the updating of the Double Mate-

riality Analysis. Where applicable, a peer analysis was always submitted to the corporate bodies, so as to enable a better strategic assessment.

Banca Generali decided that the attestation of compliance with the standards set forth by sustainability regulations be issued by the Manager in Charge of preparing the Company's financial reports. Accordingly, in this area the tasks of the Manager in Charge concerning the preparation of financial reporting were extended, with particular regard to the supervision of the administrative procedures for collecting and selecting data for the purposes of the Sustainability Statement.

Moreover, the 262 Model was integrated with specific controls to ensure the accuracy and reliability of the sustainability-related information. The 262 Model guarantees compliance with applicable regulations, the integration with company's strategies and the mitigation of the risks associated with the disclosure of sustainability-related information. On a six-monthly basis, the Board of Statutory Auditors receives from the Manager in Charge the results of this activity and assesses the results thereof.

The Board of Statutory Auditors thus verified — acknowledging the content of the attestation issued by the Chief Executive Officer and the Manager in Charge pursuant to Article 81-ter of Consob Regulation No. 11971/99 and the content of the Independent Auditors' Report — that the Consolidated Sustainability Statement was drawn up in compliance with the reporting standards applied pursuant to Directive 2013/34/EU and the related Decree and the specific provisions adopted pursuant to Article 8, paragraph 4, of Regulation (EU) No. 2020/852.

8.1 Oversight of the statutory audit activity

In accordance with the provisions of Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors (in its capacity as Internal Control and Audit Committee) carried out the prescribed supervisory activities regarding the Independent Auditors' operations.

KPMG S.p.A. ("KPMG" or the "Independent Auditors") is the firm to which the Ordinary Shareholders' Meeting of 22 April 2021 awarded the statutory audit of the financial statements and consolidated financial statements of Banca Generali S.p.A. up to the financial statements for the year ending 31 December 2029. The assignment also includes responsibility for verifying

the proper keeping of company accounts, the correct recognition of operating events in the accounting records, the limited review of the half-yearly report and interim reports, the checks related to signing tax returns and the attestations issued to the National Guarantee Fund.

The Board of Statutory Auditors met the Independent Auditors several times also pursuant to Article 150 of TUF in order to exchange information about the Independent Auditors' activity, taking particular account of the Audit Plan, timing of activities and dedicated resources. Particular attention was devoted to the activities carried out on "key audit matters" that, in continuity with the previous year, referred to Classification and measurement of financial assets and liabilities at fair value and Measurement of provisions for liabilities and contingencies, as well as on the risks associated with the goodwill recognised in the consolidated financial statements, the adequacy of the accounting standards applied and possible fraud risks. In these meetings, the Independent Auditors never highlighted events deemed to be censurable or irregularities such as to require reporting pursuant to Article 155, paragraph 2, of TUF.

On 24 March 2026, the Independent Auditors issued, pursuant to article 14 of Legislative Decree No. 39/2010, the Audit Reports on the financial statements and consolidated financial statements for the year ended 31 December 2025. With regard to the opinions and attestations, the Independent Auditors in the Audit Report on the financial statements:

- › issued an opinion showing that Banca Generali's financial statements and consolidated financial statements provide a true and fair view of the financial performance and position of Banca Generali and the Group at 31 December 2025, of the operating result and cash flows for the year ended on that date in accordance with the International Financial Reporting Standards adopted by the European Union, as well as with the provisions issued in implementation of Article 9 of Legislative Decree No. 38/05 and Article 43 of Legislative Decree 136/15;
- › presented the key aspects of the audit that, according to their professional judgement, are most significant and that contribute to the formation of the overall opinion on the financial statements;
- › issued a consistency opinion showing that the Reports on Operations accompanying the financial statements and the consolidated financial statements at 31 December 2025 and certain specific information contained in the "Report on Corporate Governance and Ownership Structure" indicated in Article 123-bis, paragraph 4, of TUF, responsibility for which lies with the Bank's directors, are prepared in accordance with the law;

- › attested that the Group's separate and consolidated financial statements have been prepared in XHTML format and that the consolidated financial statements have been marked up, in all material respects, in compliance with the provisions of the ESEF Commission Delegated Regulation;
- › declared, with regard to any material errors in the Reports on Operations, based on a knowledge and understanding of the business and the related context acquired during the audit activity, that it has nothing to report.

On 24 March 2026, the Independent Auditors also submitted to the Board of Statutory Auditors the Additional Report provided for in Article 11 of Regulation (EU) No. 537/2014. As an annex to this Report, the Independent Auditors submitted to the Board of Statutory Auditors the independence declaration, as required by Article 6 of Regulation (EU) No. 537/2014, which revealed no situations that could compromise their independence. In addition, the Board of Statutory Auditors acknowledged the Transparency Report dated 30 September 2025, prepared by the Independent Auditors and published on their website pursuant to Article 13 of Regulation (EU) No. 537/2014.

Banca Generali has adopted a specific "Procedure for the assignment of non-audit services to the Independent Auditors" which regulates the award to the Independent Auditors and their network of tasks additional to those involved in the statutory audit activities pursuant to Article 14 of Legislative Decree No. 39/2010. For these assignments, which legislation states must be authorised in advance by the Board of Statutory Auditors and — if they are not incompatible with the statutory audit — cannot in any case exceed 70% of the average remuneration for the last 3 financial years for the statutory audit (fee-cap), the aforementioned procedure provides for a prior process of authorisation and monitoring by the Board of Statutory Auditors in order to oversee the independence of the Independent Auditors, consistent with the provisions of Legislative Decree No. 39/2010.

The Manager in Charge submits regularly for the attention of the Board of Statutory Auditors a report on the services provided to the Group by the main Independent Auditors and their network, as well as information on the amount of the annual cap used, as defined by the fee-cap rule. The Board of Statutory Auditors complied with the provisions of current legislation on the approval of the services conferred on the main Independent Auditors and other companies belonging to their network. The expenses recognised in the consolidated Profit and Loss Account, also shown in the annex to the Financial Statements, as required by Article 149-duodecies of the Issuers' Regulation, are as follows:

TYPE OF SERVICE EURO/000	KPMG S.P.A. BANCA GENERALI	KPMG S.P.A. SUBSIDIARIES	OTHER COMPANIES WITHIN THE KPMG NETWORK SUBSIDIARIES
Audit	410	70	226
Attestation services	153	15	217
Other services			12
Total	563	85	455

The main activities, other than the audit, refer to the balance of the limited assurance of the CSRD Sustainability Statement, and the reports requested by supervisory authorities to the Swiss and Luxembourg subsidiaries.

Taking into account the non-audit assignments awarded to KPMG and its network by Banca Generali and Group compa-

nies, their nature and the total fees paid, as well as, more generally, the procedures adopted by KPMG regarding independence, the Board of Statutory Auditors does not identify any issues regarding the independence of KPMG S.p.A.

The Independent Auditors also confirmed to the Board of Statutory Auditors that during the year they did not issue opinions

pursuant to the law, as no conditions occurred as to warrant their issue.

8.2 Limited assurance of the Consolidated Sustainability Statement

In accordance with the provisions of Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors (in its capacity as Internal Control and Audit Committee) carried out the prescribed supervisory activities regarding the Independent Auditors' operations.

KPMG, which was already awarded the statutory audit of the financial statements, is the firm assigned with the task of performing the limited assurance of the Sustainability Statement up to the financial statements for the year ending 31 December 2029.

The Board of Statutory Auditors monitored on an ongoing basis the activity of Independent Auditors, with which it met regularly in order to ensure an adequate exchange of information flows. In particular, the Board of Statutory Auditors examined the Audit Plan prepared, also relating to the limited assurance of the Consolidated Sustainability Statement, liaising with the contact persons of Independent Auditors.

The Independent Auditors, in their report issued on 24 March 2026, highlight, based on the work carried out, that they did not identify any elements that led them to believe that:

- › the Sustainability Statement of Banca Generali for the year ended 31 December 2025 was not prepared, in all material respects, in compliance with the reporting principles adopted by the European Commission pursuant to Directive 2013/34/EU;
- › the information contained in section "Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" has not been prepared, in all material respects, in accordance with Article 8 of EU Regulation No. 852 of 18 June 2020.

The Manager in Charge and the Chief Executive Officer issued the attestation, pursuant to Article 154-bis, paragraph 5-ter of TUF, certifying that the Sustainability Statement was drawn up in compliance with i) the reporting standards applied pursuant to Directive 2013/34/EU and Legislative Decree No. 125/2024 and ii) the specific provisions adopted pursuant to Article 8, paragraph 4, of Regulation (EU) No. 2020/852 (Taxonomy Regulation).

The Board of Statutory Auditors did not become aware of breaches of the relevant regulatory provisions.

9. Omissions or censurable events, opinions given and initiatives taken

The Board of Statutory Auditors did not receive any reports pursuant to Article 2408 of the Italian Civil Code.

The Board of Statutory Auditors is not aware of any other events or matters to report to the Shareholders' Meeting.

The Board of Statutory Auditors, in addition to the matters already indicated in this Report, issued opinions or expressed observations that are within its remit pursuant to current legislation and supervisory provisions for banks. In particular, the Board of Statutory Auditors expressed:

- › its opinion on the processes and procedures relating to the remuneration of Directors, when required, in particular on the remuneration of the Chief Executive Officer and of the

members of the Board committees;

- › its opinion on the presentation to the Board of Directors of transactions falling within the scope of Article 136 of TUB;
- › the favourable opinion on the approval of the Policy for assigning non-audit services to Independent Auditors;
- › considerations on the Annual Report regarding the outsourcing of important operational functions.

In the course of the activity carried out and based on the information obtained, no omissions, censurable matters, irregularities or significant circumstances were found that needed to be reported to the Supervisory Authorities or mentioned in this Report.

10. Supervisory Board

After being assigned the functions attributable to the Supervisory Board ("SB") referred to in Article 6, paragraph 4-bis of Legislative Decree No. 231/2001 on the vicarious liability of entities, the Board of Statutory Auditors oversaw the functioning and compliance with Model 231 adopted by the Bank and analysed the periodic information flows received from the Control Functions.

During the year, the Supervisory Board oversaw the adequacy of the Model in light of regulatory developments. The 231 Model currently in force was adopted by the Board of Directors during the meeting held on 25 March 2025, since no such substantial changes to predicate offences or organisational changes were made to require an update of the model.

No reports of breaches of the Organisational and Management Model pursuant to Legislative Decree 231/01 were received through the dedicated e-mail account during the period. Five reports were received through the whistleblowing channels set up pursuant to the Whistleblowing Policy, but no material elements for the purposes of Legislative Decree 231/01 were identified. In this regard, the necessary inquiries were conducted, resulting in dismissal of the reports.

The Board of Statutory Auditors, in its capacity as Supervisory Board, reported on the activities carried out during the year ended 31 December 2025 without pointing out any issues, illustrating an overall satisfactory situation and substantial alignment with the provisions of the 231 Model adopted by the Bank, ascertaining that the same is adequate.

11. Conclusions

In view of the Ordinary Shareholders' Meeting convened, in first call, on 16 April 2026 (as per the notice of calling published on 17 March 2026), the Board of Statutory Auditors, without prejudice to the specific duties and responsibilities of the Independent Auditors in terms of auditing the accounts and verifying the reliability of the financial statements, has no comments to make to the Shareholders' Meeting, pursuant to Article 153 of TUF, regarding the approval of the Financial Statements as

at 31 December 2025, accompanied by the Annual Integrated Report, as presented by the Board of Directors and the proposal for the distribution of net profit for the year.

Milan, 24 March 2026

The Board of Statutory Auditors



**ATTESTATION PURSUANT
TO ARTICLE 154-BIS,
PARAGRAPH 5, OF ITALIAN
LEGISLATIVE DECREE
NO. 58/98**



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Attestation

pursuant to Article 154-*bis*, paragraph 5, of Italian Legislative Decree No. 58/98



Certification of the Annual Integrated Report pursuant to the provisions of art. 154-*bis*, paragraph 5 and 5-*ter*, of Legislative Decree 58 of 24 February 1998 and art. 81-*ter* of CONSOB Regulation 11971 of 14 May 1999, as amended

1. The undersigned Gian Maria Mossa, in his capacity as Chief Executive Officer, and Tommaso Di Russo, in his capacity as Manager in charge of the Financial Reports of Banca Generali S.p.A., taking into account the provisions set out in article 154-*bis*, paragraphs 3 and 4, of the Legislative Decree dated 24 February 1998, Nr. 58, hereby declare that the administrative and accounting procedures for preparing the Annual Integrated Report for the fiscal year 2025:
 - are appropriate in light of the features of the company, and
 - have been actually applied.
2. The appropriateness of administrative and accounting procedures for preparing the Annual Integrated Report as of 31 December 2025 was assessed using a process established by Banca Generali S.p.A. based on the *Internal Control - Integrated Framework* issued by the *Committee of Sponsoring Organizations of the Treadway Commission*, which is generally accepted as a reference framework worldwide.
3. The undersigned further declare that:
 - 3.1 the Annual Integrated Report as of 31 December 2025:
 - a) was prepared: (i) in compliance with the applicable international accounting standards recognized in the European Union pursuant to Regulation (EC) Nr. 1606/2002 of the European Parliament and Council of 19 July 2002, as well as in compliance with the provisions of the Italian Civil Code, and of Legislative Decree Nr. 38 of 28 February 2005, and (ii) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and of Legislative Decree Nr. 125 dated 6 September 2024 implementing Directive 2022/2464/UE (known as *Corporate Sustainability Reporting Directive* or "CSRD"), (iii) Legislative Decree No. 125 of 6 September 2024 implementing Directive 2022/2464/EU (also known as the *Corporate Sustainability Reporting Directive* or "CSRD"), (iii) with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020¹ and further applicable provisions, regulations and circular letters issued by the Supervisory Board;
 - b) reflects the accounting books and records;
 - c) provides a true and fair view of the assets, liabilities, profit or loss and financial position of the issuer and all its consolidated companies.
 - 3.2 the Directors' report on operations includes a reliable analysis of the business trends, operating result and financial situation of the issuer and all the companies included in the scope of consolidation, as well as a description of the main risks and uncertainties to which they are exposed.

Trieste, 04 March 2026

Gian Maria Mossa
Chief Executive Officer

BANCA GENERALI S.p.A.

Tommaso Di Russo
Manager in Charge of
the Company's Financial Reports
BANCA GENERALI S.p.A.



ANNEXES TO THE FINANCIAL STATEMENTS



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Annex 1

Disclosure of compensation for auditing pursuant to Article 149-duodecies of Consob Resolution No. 11971/1999)

The following table shows a breakdown of the fees paid by the Banca Generali Group companies to the independent auditors KPMG S.p.A. engaged to audit the Financial Statements in accordance with Italian Legislative Decree No. 58/98, as well as to the Italian and foreign entities in the network to which the auditing firm belongs.

(€ THOUSAND)	KPMG S.P.A.		OTHER COMPANIES WITHIN THE KPMG NETWORK		TOTAL
	PARENT COMPANY	SUBSIDIARIES	PARENT COMPANY	SUBSIDIARIES	
Audit	410	70	-	226	707
Attestation services	153	15	-	217	385
Other services	-	-	-	12	12
Total	563	85	-	455	1,103

Fees, as resulting from the relevant engagement letters, are reported net of expense reimbursements, non-deductible VAT and Consob contributions, if any.

With regard to the parent company Banca Generali, the amount of 563 thousand euros reported in the table above refers to:

- › audit for 410 thousand euros, of which 324 thousand euros for the audits carried out in relation with the Consolidated and Separate Financial Statements, and 86 thousand euros for the limited review of the half-yearly report and the quarterly interim reports for 2025;
- › attestation services for 153 thousand euros, of which 100 thousand euros regarding the limited assurance of the Sustainability Statement (CSRD), 2 thousand euros for the attestation of the aggregates for the National Guarantee Fund, 12 thousand euros for the compliance certification for the tax returns, and 39 thousand euros for the issuance of the ISAE 3000 report on the Description Document as per Part 3 of the MiFID II.

Fees for auditing services rendered to Italian and foreign subsidiaries amounted to 296 thousand euros, of which 19 thousand euros referring to Generfid S.p.A., 51 thousand euros to Intermonte SIM and Intermonte Partners, 52 thousand euros to BGFML S.A., 52 thousand euros to BG Valeur S.A., and 122 thousand euros to BG (Suisse) Private Bank S.A.

Attestation services rendered to other Group companies, amounting to 232 thousand euros, refer for 15 thousand euros to Intermonte SIM and Intermonte Partners SIM, for 53 thousand euros to BGFML S.A. — consisting of the reports required to the company's independent auditors by local supervisory authorities pursuant to CSSF Circulars Nos. 21/788 and 21/789, in addition to the report provided for by law for the purposes of interim dividend distribution — and, for 164 thousand euros to the Swiss subsidiaries — consisting of the reports required by local supervisory authorities for the purposes of the regulatory audit.

Annex 2

Reconciliation between official and reclassified statements

Reconciliation between the reclassified consolidated balance sheet and the consolidated balance sheet

RECLASSIFIED BALANCE SHEET ITEMS - ASSETS	CONSOLIDATED BALANCE SHEET ITEMS - ASSETS	31.12.2025	31.12.2024
Financial assets at fair value through profit or loss		649,848	512,209
	Item 20. Financial assets measured at fair value through profit or loss	649,848	512,209
Financial assets at fair value through other comprehensive income		3,545,783	1,521,864
	Item 30. Financial assets measured at fair value through other comprehensive income	3,545,783	1,521,864
Financial assets measured at amortised cost		12,896,140	13,678,838
a) Loans to banks		3,702,404	3,775,709
	Item 40. a) Financial assets measured at amortised cost – loans to banks	3,321,730	2,749,514
	Item 10. (partial) Demand deposits with central banks and banks	380,674	1,026,195
b) Loans to customers		9,193,736	9,903,129
	Item 40. b) Financial assets measured at amortised cost – loans to customers	9,193,736	9,903,129
Hedging derivatives		153,464	131,221
	Item 50. Hedging derivatives	153,464	131,221
Equity investments		620	2,962
	Item 70. Equity investments	620	2,962
Property, equipment and intangible assets		364,554	284,935
	Item 90. Property and equipment	139,347	130,971
	Item 100. Intangible assets	225,207	153,964
Tax assets		186,645	122,889
	Item 110. Tax assets	186,645	122,889
Other assets		657,460	566,840
	Item 10. Cash and deposits	410,536	1,056,109
	Item 10. (partial) Demand deposits with central banks	-380,674	-1,026,195
	Item 130. Other assets	627,598	536,926
Assets held for sale		1,508	227
	Item 120. Non-current assets held for sale and disposal groups	1,508	227
Total assets	Total assets	18,456,022	16,821,985

RECLASSIFIED CONSOLIDATED BALANCE SHEET ITEMS – LIABILITIES AND NET EQUITY		31.12.2025	31.12.2024
CONSOLIDATED BALANCE SHEET ITEMS – LIABILITIES AND NET EQUITY			
Financial liabilities measured at amortised cost		15,922,718	14,521,277
a) Due to banks		310,290	356,431
	Item 10. a) Financial liabilities measured at amortised cost – due to banks	310,290	356,431
b) Due to customers		15,612,428	14,164,846
	Item 10. b) Financial liabilities measured at amortised cost – due to customers	15,512,347	14,164,846
	Item 10. c) Debt securities outstanding	100,081	-
Financial liabilities held for trading and hedging		293,990	177,054
	Item 20. HFT financial liabilities	105,006	108
	Item 40. Hedging derivatives	188,984	176,946
Tax liabilities		13,820	18,267
	Item 60. Tax liabilities	13,820	18,267
Other liabilities		304,963	301,085
	Item 80. Other liabilities	309,495	298,944
	Item 50. Adjustment to macro-hedged financial liabilities (+/-)	-4,532	2,141
Special purpose provisions		339,175	344,379
	Item 90. Provisions for termination indemnity	2,939	3,402
	Item 100. Provisions for liabilities and contingencies	336,236	340,977
Valuation reserves		1,884	8,372
	Item 120. Valuation reserves	1,884	8,372
Equity instruments		105,000	100,000
	Item 140. Equity instruments	105,000	100,000
Reserves		944,990	838,350
	Item 150. Reserves	944,990	838,350
Share premium reserve		52,457	52,392
	Item 160. Share premium reserve	52,457	52,392
Share capital		116,852	116,852
	Item 170. Share capital	116,852	116,852
Treasury shares (-)		-96,168	-87,268
	Item 180. Treasury shares (-)	-96,168	-87,268
Net equity attributable to minority interests		10,496	-
	Item 190. Net equity attributable to minority interests (+/-)	10,496	-
Net profit (loss) for the year (+/-)		445,845	431,225
	Item 200. Net profit (loss) for the year	445,845	431,225
Total liabilities	Total liabilities and net equity	18,456,022	16,821,985

Reconciliation between the reclassified Consolidated Profit and Loss Account and the Consolidated Profit and Loss Account

RECLASSIFIED CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	2025	2024
Net interest		325,014	317,106
	Item 30. Net interest income	327,184	317,106
	(Minus): Interest on extraordinary tax reimbursement	-2,170	
Net income (loss) from trading activities and dividends		30,532	21,536
	Item 70. Dividends and similar income	5,139	1,309
	Item 80. Net income (loss) from trading activities	20,757	8,150
	Item 90. Net income (loss) from hedging	-52	-192
	Item 100. Gain (loss) on disposal/repurchase of financial assets measured at fair value through other comprehensive income	10,474	9,810
	Item 110. Net gains (losses) of other financial assets and liabilities measured at fair value through profit and loss	-5,786	2,459
Net financial income		355,546	338,642
Recurring fee income		1,130,947	1,041,172
	Item 40. Fee income	1,245,712	1,207,559
	(Minus): Item 40. (partial) Variable fee income	-114,765	-166,387
Fee expense		-600,912	-565,069
	Item 50. Fee expense	-581,646	-549,354
	Plus: Item 200. (partial) Provisions for fee plans	-19,266	-15,715
Net recurring fees		530,035	476,103
Variable fee income		114,765	166,387
	Plus: Item 40. (partial) Variable fee income	114,765	166,387
Net fees		644,800	642,490
Net banking income		1,000,346	981,132
Staff expenses		-164,507	-134,997
	Item 190. a) Staff expenses	-164,507	-134,997
Other general and administrative expenses		-158,807	-131,802
	Item 190. b) Other general and administrative expenses	-291,739	-263,435
	(Minus): Item 190. b) (partial) Charges related to the banking system	3,238	12,592
	(Minus): Item 230. (partial) Recovery of indirect and direct taxes	129,694	119,041
Net adjustments of property, equipment and intangible assets		-48,266	-42,143
	Item 210. Net adjustments/reversals of property and equipment	-25,504	-24,076
	Item 220. Net adjustments/reversals of intangible assets	-23,189	-18,067
	(Minus) Item 220. (partial) Impairment of trademarks with indefinite useful life	427	-
Other operating expenses/income		10,346	14,926
	Item 230. Other operating expenses/income	140,040	133,967
	(Minus): Item 230. (partial) Recovery of indirect and direct taxes	-129,694	-119,041
Net operating expenses		-361,234	-294,016
Operating result		639,112	687,116

RECLASSIFIED CONSOLIDATED PROFIT
AND LOSS ACCOUNT ITEMS

CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS

2025

2024

Net adjustments to non-performing loans		-3,414	1,837
	Item 130. Net adjustments/reversals for credit risk	-19,441	1,837
	(Minus) Value adjustments on POCL positions (write-offs)	16,027	-
Net provisions		-95,816	-105,830
	Item 200. Net provisions for liabilities and contingencies	-99,055	-121,545
	(Minus): Item 200. (partial) Provisions for fee plans	19,266	15,715
	(Plus) Item 130. Value adjustments on POCL positions (write-offs)	-16,027	-
Contributions and charges related to the banking system		-3,238	-12,592
	Plus: Item 190. b) (partial) Charges related to the banking system	-3,238	-12,592
Gains (losses) from investments and equity investments		-2,849	-758
	Item 250. Gains (losses) from equity investments	-2,413	-759
	Item 280. Gains (losses) on disposal of equity investments	-9	1
	(Plus) Item 220. (partial) Impairment of trademarks with indefinite useful life	-427	-
Extraordinary tax reimbursement		39,049	-
	Item 300. Taxes on prior years' income: receivables for tax reimbursement	37,584	-
	Item 10. Interest income on receivables for tax reimbursement	2,170	-
	Item 300. Income taxes for the year on operating activities: taxes on interest	-705	-
Operating profit before taxation		572,844	569,773
Income taxes for the year on operating activities		-126,133	-138,548
	Item 300. Income taxes for the year on operating activities	-89,254	-138,548
	(Minus) Item 300. Taxes on prior years' income: receivables for tax reimbursement	-37,584	-
	(Minus) Item 300. Income taxes for the year on operating activities: taxes on interest	705	-
Net profit (loss) for the year		446,711	431,225
Net profit (loss) for the year attributable to minority interests		866	-
	Item 340. Net profit (loss) for the year attributable to minority interests	866	-
Net profit (loss) for the year attributable to the Parent Company		445,845	431,225

Banca Generali S.p.A.

Registered office
Via Machiavelli 4 - 34132 Trieste - Italy

Share capital
Authorised 119,378,836 euros
Subscribed and paid 116,851,637 euros

Tax code and Trieste register
of companies: 00833240328
VAT number: 01333550323

Company managed and coordinated
by Assicurazioni Generali S.p.A.
Bank which is a member
of the Interbank Deposit Protection Fund
Registration with the bank register
of the Bank of Italy under No. 5358
Parent Company of the Banca Generali Banking Group
registered in the banking group register
ABI code 03075.9

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