

2025

Financial Statements



SPARKASSE
CASSA DI RISPARMIO

Cassa di Risparmio di Bolzano S.p.A. Group

Consolidated Financial Statements as at 31 December 2025

Cassa di Risparmio di Bolzano S.p.A.
Südtiroler Sparkasse AG

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Letter from the Chairman and the Deputy Chairman

Letter from the Chairman and the Deputy Chairman

Dear Shareholders, Customers and Employees,

We extend our most cordial greetings, also on behalf of the members of the Board of Directors and the Board of Statutory Auditors, on the occasion of the presentation of the financial statements concerning the **171st financial year of our Bank**, since its foundation in 1854.

The **excellent state of health of our banking group** was corroborated also in 2025; both banks, Sparkasse and CiviBank, achieved brilliant results that allow us to confirm the already **good level of profitability**. Also of particular importance is the improvement of capital ratios, which testify to the further strengthening that leads our banking group to show **excellent levels of solidity**.

We are a banking group that has **decided to invest substantially in recent years**. These are **medium- and long-term growth-oriented investments** which we will benefit from in the coming years. This vision is one of the pillars of our strategy: **produce sustainable profitability over time**.

From the point of view of **operating results**, our banking group **continues in the growth trend**. The dividend proposal that will be submitted to the Shareholders' Meeting on 22 April represents the **highest historical level of distribution ever achieved**. This is made possible thanks to the results achieved and the **excellent levels of capital strength** that the group expresses.

We are very satisfied with the 2025 results: **we have largely exceeded the objectives of the strategic plan in the first two years** and are starting to complete the three-year plan with the pride of having achieved **results above expectations**. In fact, in the first two years, we recorded **cumulative profits of EUR 205.2 million** compared to a target of EUR 165.4 million.

Sustainability guides our choices. Let us cite just three significant examples: in 2025, **for the first time in the history of our banking group**, Sparkasse succeeded in finalising an institutional funding transaction through **the issue of a green bond**. The amount of **EUR 100 million** raised will be used to finance and/or refinance new and/or existing loans for environmental projects.

In addition, also in 2025, the Sparkasse Group achieved an important result in terms of energy transition: Our subsidiary **Sparkasse Energy** completed the construction and commissioning of its **two photovoltaic plants, in order to cover the electric energy needs of the entire banking group**.

Finally, the Sparkasse Group is the **first banking group, at national level, to have integrated ISO certification relating to environmental sustainability and occupational health and safety**. The three companies of our Group, composed of Sparkasse - Cassa di Risparmio di Bolzano, CiviBank and Sparim, have integrated ISO 45001 – ISO 14001 certification.

These are further significant steps forward taken by the Sparkasse Group in its environmental sustainability journey. It is one further confirmation of the attention and commitment that our Group places in **ESG, sustainability and energy transition**.

In fact, we have set ourselves a precise **2024-2026 Sustainability Plan**, a transversal pillar of our **'Horizon 2026' Group Strategic Plan**, and we are continuing on our journey by taking concrete steps in implementing our vision to be a reference point in the path towards the sustainability of our territory.

In following our three-year strategic plan, the Group is also continuing to **invest in the reference territories**, aiming for **medium/long-term sustainable growth**. Thus, in the autumn of 2025, we opened in **Reggio Emilia** our **third subsidiary in the Emilia-Romagna region**, after that of Bologna and Modena. The new branch follows the entire eastern part of the region, namely, in addition to the province of Reggio Emilia, also the provinces of Parma and

Piacenza. The location of the branch is also prestigious and strategic: in the main square of the city, in front of the Duomo and next to the City Hall, where the municipality has its offices.

Also noteworthy in 2025 was a **high-level international banking event** that our Cassa di Risparmio had the honour of hosting and that again demonstrates that we are **recognised and appreciated not only at national level, but also in Europe**. The Association of Free Savings Banks held its annual general meeting of members, choosing this year precisely the Sparkasse Academy of our bank in Bolzano as its location. Over **80 Chairmen and General Managers of Savings Banks from all over Europe** attended.

It should be mentioned that we were also visited by the top management of **Sparkassen of Westphalia-Lippe** in Germany, which includes **52 banks** with a total of more than 22,000 employees and total assets of over EUR 150 billion. This was a very interesting exchange of experience, including with a view to possible future cooperation. We would remind you that there is already a fruitful cooperation and partnership between our bank and the Sparkassen of Baden-Württemberg. The fact that the northernmost Sparkassen top management has now expressed interest and has arrived in Bolzano testifies to the **bridge role that our bank plays between two major European economies, Italy and Germany**.

Today we are the leading territorial banking group in North-East Italy and the only central European cross-border bank. Our Bank is highly regarded by **national institutions, such as ABI** (Italian Banking Association) and **ACRI** (Association of Foundations and Savings Banks), and **European institutions, such as ESBG** (European Savings Banks Group), where Sparkasse - Cassa di Risparmio di Bolzano, through its Chairman, holds the significant role of Deputy Chairmanship, both in ACRI and in ESBG, while in ABI he was re-elected to the Board, appointed as a member of the Executive Committee and invited to participate in the President's Committee.

The results achieved confirm, in 2025 as well, the **ongoing commitment of the corporate bodies, management, and all employees**, and once again demonstrate how the Sparkasse Group is increasingly able to combine an excellent level of customer service with the ability to generate a solid return for its Shareholders. We trust that these results will be to the satisfaction of our Shareholders.

The above is also the result of the work of the entire structure under the guidance of the Chief Executive Officer, Mr Nicola Calabrò. The work performed has considerably strengthened the commercial and reputational position of our banking group. We want to express our **sincere gratitude to all employees** for the efforts made, a fundamental pillar for the important objectives achieved and for those ahead of us.

Words of gratitude and appreciation also go to all the members of the **Board of Directors** and the **Board of Statutory Auditors** for their constant commitment.

We thank **our stakeholders** and, especially the Shareholders, our reference shareholder, the Fondazione Cassa di Risparmio di Bolzano, always committed and irreplaceable in the social and economic support in our province, the other national and foreign banks and foundations, the Customers, the Bodies, the Associations and the Suppliers, and also the Institutions.

Despite the geopolitical context, in 2025 we confirmed our proximity to households, companies and the territory while continuing to demonstrate our commitment and sensitivity also to aspects related to social, environmental and economic sustainability. We're going to continue to follow this path. At the end of the year, we will work to define the new goals to be achieved together in the **next 2027-2029 strategic plan**.

The **excellent results** achieved confirm the capital strength and quality of assets, which together with the **high resilience** and the good level of profitability achieved make us **confident also for the future**.

We have a development path ahead that aims to **respond with timeliness and effectiveness to market challenges** and **further strengthen the relationship of trust** with all our Shareholders and Customers. We believe that, also thanks to their contribution, our banking group will **be able to face future opportunities and challenges with greater determination**.

Thanking you for your continued support and trust in our Bank, all we have to do is **design the future together, accept its challenges, address and guide change.**

Kind regards.

Gerhard Brandstätter
Chairman, Cassa di Risparmio di Bolzano

Carlo Costa
Deputy Chairman, Cassa di Risparmio di Bolzano

Bolzano, 24 March 2026

Letter from the Chief Executive Officer and General Manager

Letter from the Chief Executive Officer and General Manager

Dear Shareholders, Customers and Colleagues,

Also this year I am pleased to share with you a series of outstanding results for our Bank. These are goals achieved that are not just simple numbers, but the **concrete evidence of a path made of commitment, vision and shared work**.

The numbers for the 2025 financial year provide the image of **an increasingly strong banking group** in terms of its capital with **constant growth rates** and with a **good ability to create a stable operating result**, despite the evolution of market interest rates. The **net profit at consolidated level** amounted to **EUR 875 million** (mln).

We have chosen to **favour growth targets**, which allow for **creating value for Shareholders in the medium term**, without pursuing short-term profitability. The appreciation of the value of the share in recent years, accompanied by a good policy on dividends, allows us to give our Shareholders a **satisfactory remuneration** for their investment.

We have achieved **results that go beyond the targets we had set for ourselves**. We are recording a general improvement, which now represents **a trend that sees the Sparkasse Group progressing year by year in all aspects**.

I just want to mention some significant numbers at the consolidated level:

Revenues from services amounted to the sum of EUR 121.7 million, a **growth of 2.3%** compared to 2024, confirming the trend of increasing diversification in 2025 as well. Revenues related to the assets under management sector stand out, confirming the excellent positioning of our group in the field of investments in the territory. In fact, we have achieved strong growth in consultancy activities: **managed deposits increased by 13.3%** to a total of EUR 4.2 billion (bn).

Our **strength** positions itself **at the highest levels of the banking system**. The balance sheet indicators show strong growth with the **CET 1 at 16.6%** and the **Total Capital Ratio at 18.2%**.

With regard to the **riskiness of the loan portfolio**, the group continues to express values that are **among the lowest levels compared to comparable banks**, with the **gross NPL ratio** indicator coming down to **3.7%**, while the net ratio stands at **1.9%**.

Another significant milestone achieved in 2025 after a long journey, which makes our bank stronger, should also be noted. This is the validation by the supervisory authorities of the **internal rating models**, which represents an **important step towards the group's development**. The new rating models make it possible to more accurately measure credit risk and benefit from capital absorptions that are reflected on solidity indicators. From now on, our bank has an **improved ability to control credit risks** and can also benefit from the improvement of capital ratios resulting from the adoption of the new rating models. This translates into **greater competitiveness** that the bank earns **by reaching the level typical of larger banks**. In fact, we may have a **greater credit disbursement potential** and at the same time we will be able to do so in a more structured manner than before.

A highlight and central point of our strategic activity during 2025 was undoubtedly the launch of **SPARK**, the new Sparkasse Group community to help young people build financial awareness. In addition to a strong presence on digital channels with engaging and updated content with a dedicated website (www.be-spark.it) and social profiles (Instagram, TikTok and YouTube), Spark is present in two physical spaces in Bolzano: Spark Space in via Cassa di Risparmio and Spark Studio in Piazza Walther. Spark is designed to be a safe space, both physical and

digital, where young people can meet an active community, discuss financial topic and learn about dedicated products and tools to better manage their finances.

The SPARK project, dedicated to the **under-30 customers** of the Sparkasse Group, was born with the ambition to acquire and create a stable and profitable relationship with the Alpha target (age group 0-15 years) and Gen Z target (age group 16-30 years), going beyond the simple advantage and extemporaneousness linked to a product. The youth target has distinctive social values and needs and communication with this age bracket needs a more direct, practical and digital approach, although the branches, understood as a human relationship, continue to play a role deemed important to manage more complex financial needs. At the launch of SPARK, the banking group **reformulated the entire offer of the product range and the Brand of the segment**, with the aim of offering services that are increasingly close to the needs of young customers to best accompany them in the different phases of their life.

The Sparkasse Group is continuing to **grow** also from the **distribution network** perspective, and after having opened the new **Reggio Emilia** branch (in the wake of the previous openings in Bologna and Modena), it is preparing to open the **Bassano del Grappa** (VI) and **Abano Terme** (PD) branches in the coming weeks. This is a further confirmation of the territorial bank growth strategy.

Our commitment to safety is ever-continuing. In fact, our Sparkasse Group marks a **first in the world of finance** in this context: first in Italy and among the top in Europe. In fact, we are the **first company in the financial sector in Italy and one of the first in Europe** to adopt **systems capable of resisting next-generation cryptographic attacks**, thereby guaranteeing customers a "future-proof" connection for data protection. The new system, based on Quantum Key Distribution (QKD), aims to ensure, in the long term, maximum protection of communications and data, anticipating the scenarios that the advent of quantum calculation can generate. Our investment in this project represents a concrete step in the construction of an **increasingly integrated and resilient safety ecosystem** so that an advanced level of safety can be achieved, thus also guaranteeing customers an essential protective shield in a constantly evolving threat landscape. In a context where digital security is an essential element in the protection of critical information and services – from online banking and digital payments to personal data protection and business continuity – adopting a quantum-safe approach means preventing concrete risks.

All our objectives achieved and the results attained once again demonstrate the **soundness of our strategic choices**, adopted over time and contained in the three-year Strategic Plan, and the effectiveness in our **ability to concretely achieve them by adapting to a changing economic environment** characterised by high volatility and uncertainty.

The financial year 2025 records confirms for the Group **its earnings capacity, operational efficiency and structural robustness** in terms of indicators and capital ratios, which are not only amply above the minimum regulatory limits set by the Supervisory Authority, but even at the highest levels of the banking system.

The targets achieved testify to our continuous commitment and attachment, marked by **increasing efficiency** and at the same time by **investing in the commercial development, human capital, the modernisation and digitalisation** of customer services and work processes, through a series of project initiatives aimed at effectively pursuing our medium/long-term objectives in compliance with company values. **In a context where numbers are increasingly important, we try to give value to the relationship; we have always done so and will continue to do so in the future.**

Also on my behalf, I would like to thank the Employees, Shareholders and Customers. The goals achieved are the result of a collective commitment, a shared vision and determination that drives us to **grow, innovate and always look ahead**. Only together can we build **a solid, sustainable future rich in new opportunities**.

If we look back and remember how our bank was ten years ago, we realise that we have spent a decade of **great development to support our territories**. We continue on this path with the aim of further strengthening our project and consolidating the solidity and growth of our banking group.

Kind regards,

Nicola Calabrò
Chief Executive Officer and General Manager

Bolzano, 24 March 2026

Consolidated Summary Sheet

Consolidated Summary Sheet

SUMMARY SHEET

Consolidated balance sheet figures (in thousands of euro)	31/12/2025	31/12/2024	Absolute change +/-	Var. %
Total Assets	15,716,236	15,522,889	193,347	1.25%
Financial investments	13,764,137	13,635,066	129,071	0.95%
Financial assets measured at fair value through profit or loss	191,191	197,617	(6,426)	-3.25%
Financial assets measured at fair value through other comprehensive income	570,038	194,194	375,844	193.54%
Financial assets measured at amortised cost	13,002,908	13,243,255	(240,347)	-1.81%
- of which Loans to banks	674,770	435,839	238,931	54.82%
- <i>debt securities</i>	556,723	308,637	248,086	80.38%
- of which Loans to customers	12,328,138	12,807,416	(479,278)	-3.74%
- <i>net loans</i>	9,764,872	9,627,646	137,226	1.43%
- <i>debt securities</i>	2,563,266	3,179,770	(616,504)	-19.39%
Property, plant and equipment	422,895	414,801	8,094	1.95%
Intangible assets	36,598	35,174	1,424	4.05%
Equity investments	10,542	10,266	276	
Direct funding	12,798,379	12,394,556	403,823	3.26%
Due to customers	11,987,038	11,704,091	282,947	2.42%
Payables represented by securities	811,341	690,465	120,876	17.51%
Due to banks	1,160,869	1,394,574	(233,705)	-16.76%
Total funding	13,959,248	13,789,130	170,118	1.23%
Direct funding ¹	12,798,379	12,394,556	403,823	3.26%
Indirect funding	7,711,623	6,887,326	824,298	11.97%
Total funding	20,510,003	19,281,882	1,228,121	6.37%
Shareholders' equity	1,215,159	1,179,376	35,783	3.03%
Consolidated income statement figures (in thousands of euro)	31/12/2025	31/12/2024	Absolute change +/-	Var. %
Net interest income	285,552	296,049	(10,497)	-3.55%
Gross contribution margin ²	415,243	429,486	(14,243)	-3.32%
Gross operating result ³	133,097	182,181	(49,084)	-26.94%
Net operating result ⁴	125,213	159,361	(34,148)	-21.43%
Gross profit (loss)	126,550	160,700	(34,150)	-21.25%
Profit (loss) for the year	83,542	113,112	(29,570)	-26.14%
Capital ratios (%)	31/12/2025	31/12/2024	var. +/-	
CET 1 Capital Ratio	16.64%	14.65%	1.99%	
Tier 1 Capital Ratio	17.37%	15.33%	2.05%	
Total Capital Ratio	18.22%	15.96%	2.26%	
Liquidity ratios (%)	31/12/2025	31/12/2024	var. +/-	
LCR (Liquidity Coverage Ratio)	191.24	197.09	-5.85	
NSFR (Net Stable Funding Ratio)	125.5	124.21	1.29	
Leverage Ratio (ratio between Tier1 and Total assets)	7.00	6.94	0.06	
Coverage of non-performing loans (%) ⁵	31/12/2025	31/12/2024	var. +/-	
Coverage of bad loans	72.68	68.39	4.29	
Coverage of unlikely to pay	42.10	45.00	-2.90	
Total coverage of non-performing loans	47.00	49.22	-2.22	
Gross NPL ratio	3.53	3.62	-0.09	
Net NPL ratio	1.91	1.88	0.03	
Texas Ratio ⁶	15.81	15.81	0.00	
Profitability and efficiency ratios (%)	31/12/2025	31/12/2024	var. +/-	
ROE - Return on equity ⁷	6.98	9.96	-2.98	
Gross contribution margin/brokered funds ⁸	1.37	1.47	-0.10	
Cost / income ratio ⁹	65.72	60.33	5.39	

1) direct funding, starting from 2019, includes lease payables recognised in accordance with IFRS 16

2) coincides with the net interest and other banking income (Item 120 of the consolidated income statement)

3) net interest and other banking income - operating costs (excluding allocation to provisions for risks and charges)

4) net income from financial management less operating costs

5) determined on the basis from the net book value of the non-performing loans (fair value) of Banca di Cividale (in accordance with IFRS3)

6) ratio between net non-performing loans and tangible shareholders' equity

7) ratio between profit for the year and closing shareholders' equity (average of the last two years)

8) total funding and loans to customers

9) the value was determined without considering the payment of contributions to the Crisis Resolution and Deposit Guarantee Funds.

Board of Directors Report on Group Operations

Board of Directors' Report on Group operations

1 Introduction

In compliance with the provisions of IFRS 10, in addition to the Parent Bank, the following companies are included in the scope of consolidation:

- Banca di Cividale S.p.A. - Benefit company (hereinafter also "CiviBank");
- Sparim S.p.A.
- Raetia SGR S.p.A. in liquidation;
- SPK OBG S.r.l.;
- the Dolomit Real Estate Fund in liquidation.

81.11%, 100%, 100%, 60% and 96.82% owned respectively;

- Sparkasse Energy S.r.l., a company wholly owned by the subsidiary Sparim S.p.A.;
- Fanes S.r.l. and Civitas S.r.l., a special purpose entity of the self-securitisations put in place by the two banks of the Group, included in the scope of line-by-line consolidation in compliance with the more extensive definition of "control" dictated by IFRS 10 from 1 January 2014.

With regard to the equity investment in Raetia SGR S.p.A. in liquidation, it should be noted that, although it falls within the scope of consolidation, following its placement in liquidation on 27 April 2012, the totals of the Assets and Liabilities as well as the income statement result are respectively classified under the items "Non-current assets and groups of assets held for sale", "Liabilities associated with assets held for sale" and "Profit (loss) from discontinued operations after tax" for their carrying amount after the elision and consolidation entries.

It should be noted that the company Sparkasse Haus S.r.l. was put into liquidation with effect from 1 January 2025 and was permanently closed and deleted from the business register in the last quarter of 2025; for this reason it is no longer part of the consolidation area.

In addition, it should be noted that, with reference to the closed-end real estate fund Dolomit, managed by Castello Sgr S.p.A., on 13 February 2019 the shares were paid back to the subscribers (albeit partially and not definitively), following the final liquidation process of the Fund itself, which will be concluded shortly.

Also included in the scope of consolidation is the 25% investment in Autosystem società di servizi S.p.A. over which the Parent Bank exercises a significant influence, i.e. holds a stake of between 20% and 50%. This company is valued and consolidated using the equity method.

In the consolidated financial statements, in addition to the elimination of intra-group items, as well as of dividends collected, intra-group profits, not realised with third parties, were eliminated.

2 The Macroeconomic Scenario

2.1 The International Economic Context and Changes in the Banking System

In 2025, the expansion of economic activity worldwide continued, although still at a historically rather low rate. Although monetary policy in major advanced economies has become less restrictive (United States and the United Kingdom) or neutral (Eurozone), weakness has continued to weigh on manufacturing, penalised by the US tariff war that opened in the spring. Indeed, after the election campaign's promises, on 2 April, on the so-called "Liberation Day", US President Donald Trump presented 'reciprocal' tariffs that had to affect all trading partners indiscriminately, with rates of between 10% and 49%. However, the entry into force of rates above 10% on 9 April was postponed, initially by 90 days, pending favourable trade agreements with individual states. Meanwhile, Chinese demand continued to disappoint, reflecting the protracted difficulties in the real estate sector and weak consumption, while geopolitical tensions in the Middle East, culminating in June with the "12-Day War" between Israel and Iran to prevent Tehran from equipping itself with nuclear weapons, weighed on sentiment, as well as the continuation of the war in Ukraine. Neither did the longest shutdown in US history help, which started in early October to last 43 days, and ended only on 11 November. Meanwhile, consumer price pressures once again eased slightly in OECD countries after a slight acceleration in the last few months of 2024. As growth is concerned, between October and December, GDP rose by 0.7% compared to the previous period in the G20 economies, i.e., in the most important industrialised and emerging countries, but by just 0.2% in the OECD (Organisation for Economic Co-operation and Development) countries, i.e., in the main advanced countries. This follows growth of 0.9% and 0.6% respectively in the third quarter. For the G20 economies, this is the lowest growth rate since the second quarter of 2024, and for OECD countries, since the second quarter of 2020. On the other hand, in 2025 the G20 economies grew on average by 3.4% after +3.2% in 2024, while OECD countries grew by only 1.8%, as in 2024. With regard to the G20 countries, the best performance was recorded in 2025 by India, which grew by 7.5%, followed by Indonesia (+5.1%). In the last few places, however, we find Germany and Italy, whose economies grew by only 0.2% and 0.5%, respectively. With reference to the three main economic areas, according to partly still preliminary estimates circulated until mid-March, GDP rose by 0.2% in the last three months of 2025 compared to the previous period in both the Eurozone (+0.3% in the quarter) and the United States (+1.1%) and 1.2% in China (+1.1%). On the 2025 average, on the other hand, the Eurozone grew by 1.4%, the United States by 2.1% and China by as much as 5.0%, in line with the government's target.

In recent months, the most prominent international organisations such as the International Monetary Fund (IMF) and the OECD have confirmed or slightly raised their world growth forecasts for 2026. The IMF stresses that global growth continues to show considerable resilience, despite trade tensions caused by the US and increased uncertainty. This reflects a converging of factors, including the easing of trade tensions, higher fiscal stimuli, accommodating financial conditions, private sector agility in mitigating trade disruptions and increased investments in the technology sector, particularly in artificial intelligence (AI). However, growth risks remain downward-oriented. A revaluation of AI-related productivity growth expectations, a rekindling of trade tensions, new internal political tensions or geopolitical tensions, as well as broader fiscal deficits and higher public debt are to be mentioned.

According to the IMF projections contained in the January "World Economic Outlook Update", world growth is expected to stand at 3.3% in 2026, as in 2025, before declining to 3.2% in 2027. However, the pace of expansion will continue to remain well below the rate of 3.7% observed on average between 2000 and 2019. This is explained at least in part by the structural slowdown in economic activity in China. Advanced economies are expected to expand by 1.8% this year, after +1.7% in 2025, and 1.7% in 2027, emerging countries instead by 4.2% this year, thus showing a slight slowdown from 4.4% in 2025, and 4.1% in 2027. The growth differential between emerging economies and advanced countries will therefore remain at 2.4% this year and next year, after 2.7% in 2025.

Instead, as far as the three most important economic areas are concerned, the Eurozone is expected to grow by 1.3% this year, after +1.4% in 2025, which should then follow a slight acceleration to 1.4% in 2027, also thanks to a more expansionary tax policy in the area, and in particular in Germany. The US economy is instead expected to grow by 2.4% this year and 2.0% in 2027, after +2.1% in 2025. Lastly, China's GDP is expected to rise by 4.5% this year and 4.0% in 2027 (Beijing is expected to indicate in March, during the People's National Assembly, an official target of growth of between 4.5% and 5.0%, compared to 5% in the last three years), after having increased by 5.0% in 2025.

After the slight rise in the last months of 2024, in 2025, and in particular in the first half of the year, consumer price pressures once again attenuated globally, also reflecting the gradually more limited contribution of the energy component (which even became briefly negative in April and May). In fact, in the OECD countries, inflation stood at 3.7% in December, down by one percentage point compared to the end of 2024. This is the lowest level since April 2021. Overall, therefore, the disinflation process continues from the multi-year peak of 10.7% reached in October 2022. In the Eurozone, however, inflation stood at 2.0% in December (it was 2.4% at the end of 2024), after fluctuating between 1.9% and 2.2% from March, and therefore around the symmetric target of the European Central Bank (ECB), set at 2%. However, inflation in services is always worrying. After finishing 2024 at 4.0%, services inflation reached a minimum in August from March 2022 at 3.1%, but then rose again in the following months to settle at 3.4% in December. Core inflation, i.e. inflation net of the energy and food component, finally fell to 2.3% in December, a level already reached between May and August and a minimum from January 2022 (it was 2.7% at the end of 2024). Overall inflation stood at 2.1% on average in 2025 (from 2.4% in 2024), while core inflation stood at 2.4% (from 2.8%). In the meantime, the disinflationary process seems to have mostly come to a halt in the Eurozone. Indeed, according to the latest projections of the European Central Bank (ECB) in December, inflation is expected to fall to 1.9% in 2026 and to 1.8% in 2027, to then go up to 2.0% in 2028. As for core inflation, on the other hand, the ECB's projections indicate a decline to 2.2% in 2026 and 1.9% in 2027, followed by an upward turn to 2.0% 2028. Inflation should therefore remain broadly in line with the ECB's target.

2.2 New Legislation and Regulations

The year 2025 was also marked by important interventions and regulatory updates that will be briefly described below.

IRPEF and deduction measures

Article 2 of Law no. 199/2025 (2026 Budget Law, approved on 30 December 2025, also "Budget Law" or "Finance Law") intervenes in various areas of taxation for IRPEF purposes. The main areas of intervention are as follows:

- IRPEF bracket: starting from the tax period (hereinafter also referred to as "FY") 2026, a tax bracket of 33% instead of 35% is set for income of more than EUR 28,000 and up to EUR 50,000;
- Deductions: for taxpayers with a total income exceeding EUR 200,000, the deduction from gross tax relating to the following is reduced by EUR 440: i) expenses deductible at 19% (excluding health expenses); ii) donations to political parties; iii) insurance premiums for calamitous event risk;
- Salary increases: wage increases paid in 2026 in implementation of contractual renewals signed from 1 January 2024 to 31 December 2026 are subject, unless the worker expressly waives in writing, to a substitute tax of income tax for natural persons and additional regional and municipal taxes equal to 5% (the measure applies only to employees who have an income not exceeding EUR 33,000);
Productivity bonuses: up to the limit of EUR 5,000, a substitute tax of 1% is applicable for the bonuses paid in 2026 and 2027.

IRPEF and IRES measures - Deductions of expenses for interventions for the recovery of building assets and energy redevelopment of buildings

The Budget Law also intervenes on Articles 14 and 16 of Law Decree no. 63/2013, providing for:

- a deduction rate equal to 36% of the expenditure incurred in FY 2025 and 2026 and to 30% of the expenditure incurred in FY 2027; and
- a further increase in the deduction rate in the event that the beneficiary of the deduction is a natural person and the expenses incurred concern the main home.

FTT (Financial Transaction Tax)

Paragraphs 1-bis, 1-ter and 1-quarter of the new Finance Law revise (from FY 2026) the rates of the Tobin Tax (so-called FTT). In particular:

- the rate of 0.2% (transactions on financial instruments) of Law no. 228/2012 is replaced by 0.4%, and the rate of 0.02% (high-frequency trading) is replaced by 0.04%.

Rationalisation of the regulations on payment by instalments for taxation of capital gains on capital goods

The Financial Law amends Article 86 of the Italian Consolidated Law on Income Tax (TUIR) with reference to the tax treatment of capital gains arising from the disposal of assets. In particular, all capital gains, other than those exempt pursuant to Article 87, contribute to the income for the entire amount in the year in which they were realised. The possibility of paying capital gains from the sale of a company or business unit by instalments remains unchanged (provided that the company/business unit sold was owned for a period of no less than 3 years).

Extraordinary redemption of tax suspension reserves

The Budget Law (Article 16) provides that the reserves, revaluation credit balances and provisions, in tax suspension, present in the financial statements as at 31 December 2024 and remaining as at 31 December 2025 may be redeemed with a substitute tax (IRES and IRAP) of 10%, paid in four annual instalments. The provisions contained in the MEF Decree of 27 June 2025 will be applied.

Review of the IRAP intra-EU dividends regulations and applications for refunds regulations

The Financial Law provides that, from the FY 2025, dividends from EU companies or from a State party to the Agreement on the European Economic Area with which Italy has entered into an agreement ensuring an effective exchange of information, meeting certain requirements, are 95% excluded from the IRAP tax base. For previous years, IRAP paid in excess of these dividends may be requested to be refunded.

Amendments to the dividends and capital gains regulations

The Budget Law provides that, from the distribution of profits resolved from FY 2026, the new Article 89, paragraphs 2 and 3 of the Italian Consolidated Law on Income Tax (TUIR) will apply, for which the taxpayer can benefit from 95% exclusion provided that they hold:

1. at least 5% of the share capital of the company that distributes the profits (holding that may also take place indirectly within the same group taking into account any de-multiplication produced by the control ownership chain) or
2. an equity investment with a tax value of no less than EUR 500,000.

In addition, the provisions of Article 87 of the Italian Consolidated Law on Income Tax (TUIR) (PEX) have been amended in a specular manner so that, for the purposes of the 95% exemption, the same conditions as those set out above must be met. To this end, it is established that the new treatment shall apply to the disposals of equity investments acquired or subscribed from 1 January 2026, it being understood that the equity investments acquired on an earlier date (FIFO criterion) are considered to be sold first.

Following the regulatory amendment, a specific regulation is then provided for the calculation of advances due for the FY 2026.

Finally, Article 27, paragraph 3-ter of Presidential Decree 600/1973 is amended, whereby the reduced tax withholding with rate of 1.20%, in the event of the distribution of dividends from Italian sources received from EU/EEA companies, applies provided that the above requirements are met alternatively.

Treatment for the deductibility of write-downs on loans to customers for expected losses

Article 19 of the Financial Law provides, for FY 2026 and the following three, the deductibility of write-downs on loans classified as the 1st and 2nd risk stage deriving from the ECL recognition model in five constant amounts for both IRES and IRAP purposes. Recognised prepaid taxes cannot be transformed into a tax credit and must not be counted for the purposes of calculating the taxable base of the DTA fee.

Review of the extraordinary contribution and redemption of the reserve

The 2026 Budget Law provides that, from FY 2029, in the event of the distribution of profits or reserves, priority is presumably given to the distribution of the restricted reserve pursuant to Article 26, paragraph 5-bis, of Law Decree 104/2023. Until 2028, these reserves may be redeemed with an extraordinary contribution of 27.5% (if redeemed by 31 December 2025) or 33%. In this case, the distribution of the reserves does not entail the payment of the extraordinary tax on extra-profits. This contribution applies to the reserve regardless of the nature of the items forming part of the reserve and the manner in which it was established. The contribution is not deductible and must be paid within the deadline for payment of the balance relating to the tax period in which the redemption takes place.

Increase in the IRAP rate for credit institutions and insurance companies

The Financial Law provides for an increase in IRAP rates by two percentage points for entities other than those indicated in Article 6, paragraphs 2, 3, 4 and 9 (stockbroking companies, asset management companies, SICAVs and industrial holding companies), Law Decree no. 446/1997 for FY 2026-2028. Moreover, a deduction of EUR 90,000 is provided for up to the difference between the tax resulting from the application of the provisions of the first period (rate increase) and the tax that would have been determined in the absence of the aforementioned provisions, for FY 2027-2028. The IRAP advance payments for FY 2026 will have to be calculated by simulating the 2025 tax as if the above increase were already in force.

Suspension of the deduction of negative components related to DTAs

The Financial Law provides specific provisions for the sterilisation of reversals related to FY 2027 on credit write-downs (3.80%), goodwill and other intangible assets (12.36%) and FTA of IFRS 9 (9.50%), postponing the deductibility of accrual portions between FY 2028 and 2029. In addition, for FY 2026 and 2027, the use of tax losses and the ACE excess will be limited to 35% and 42%, respectively, of the higher taxable income generated by the reversal block set forth in both Article 1 of the 2025 Budget Law and the provisions illustrated above.

Withholding on payments for provision of services and sale of goods

The Budget Law amends Article 25 of Italian Presidential Decree 600/1973, establishing that, starting from 2028, on fees relating to the provision of services and the sale of goods made during the business year, a withholding tax is applied as an advance on income taxes. The rate will be 0.5% for 2028 and will rise to 1% from 2029. This withholding tax concerns resident subjects and permanent establishments in Italy of non-resident subjects who, at the time of payment, have not joined the two-year preventative agreement or are not in a collaborative fulfilment regime.

An exception is made: the withholding tax does not apply if the payment is made in the manner indicated by Article 25, Law Decree no. 78/2010, i.e. through traced systems and with the application of the withholding tax provided for in the case of payment of expenses for which the taxpayers can benefit from deductible charges or for which the tax deduction is entitled.

Limit to the deduction of write-downs of bonds recognised under financial fixed assets

The Financial Law provides for an amendment in the tax valuation of the bonds recorded among financial fixed assets starting from FY 2026. In particular, it should be taken into account that:

1. for securities traded on regulated markets, the arithmetic average of the prices recorded during the last half-year is relevant;
2. for other securities, the decrease, if any, taken from the overall performance of the Italian telematic bond market in the last half-year is relevant.

With regard to IAS subjects, Article 110, paragraph 1-bis, letter a) of the Italian Consolidated Law on Income Tax (TUIR), which provides for full tax relevance of the greater or lesser values attributed to fixed debt securities recognised in the income statement is deleted and a period is introduced to paragraph 2 of Article 101 of the Italian Consolidated Law on Income Tax (TUIR), according to which *"for the purposes of the first period, for subjects that prepare the financial statements in accordance with the international accounting standards referred to in Regulation (EC) No. 1606/2002 of the EU Parliament and of the Council of 19 July 2002, unrealised losses take on tax relevance if recognised in the income statement"*.

Therefore, with these amendments, for IAS/IFRS subjects, the deductibility regime of bond losses is similar to that provided for OIC (Italian accounting body) subjects, it being understood that, to this end, losses take on tax relevance if they are recognised in the income statement.

Limits on the deductibility of interest expense

The Financial Law provides for a limit on the deductibility of interest expense for both IRES and IRAP purposes for financial brokers. This limitation is provided for in the measure of:

1. 96% for the tax period 2026;
2. 97% for the tax period 2027;
3. 98% for the tax period 2028;
4. 99% for the tax period 2029.

Amendments to tax regulations on variable remuneration paid to financial sector managers

The Budget Law establishes that the provisions provided for in Article 33 of Law Decree no. 78/2010 (i.e. extra on stock options and variable remuneration to financial sector managers) do not apply if the subject disbursing the remuneration makes a payment to Third Sector Organisations (TSO) equal to at least twice the extra due. The beneficiary institutions must be independent, i.e. they must neither control nor be controlled, directly or indirectly, nor be subject to joint control, with respect to the subject paying the remuneration. Moreover, the payment must concern the entire amount of the extra due for the period.

Exemption from stamp duty on certain credit agreements

The Financial Law also intervenes on note 2-bis of Article 2 of the tariff, part one, annexed to Presidential Decree no. 642/1972, and on note 3 of Article 2 of the tariff, part one, annexed to the consolidating act of the legislative provisions on registration tax and other indirect taxes (Legislative Decree no. 123/2025), introducing specific exemptions from stamp duty on agreements entered into starting from 20 November 2026. In particular, a number of exclusions are added:

- credit agreements of less than EUR 200;
- credit agreements without interest or other charges and those in which the consumer must pay only commissions of an insignificant amount, provided that the repayment takes place within three months of the use of the amounts.

Increase in depreciation for investments in capital goods

The Financial Law establishes for FY 2026 the re-introduction of the super-depreciation: companies that invest in capital goods will be able to increase the acquisition cost for tax purposes if by 31 December 2026 the order is accepted and they pay at least 20% advance, provided that certain requirements are met. The measure of the increased cost varies according to the type of asset purchased. Furthermore, it concerns goods produced in EU countries or countries belonging to the European Economic Area and applies to investments made from 1 January 2026 to 30 September 2028.

Summary of the Main Regulatory Impacts of Interest for the Banking System

During 2025, the 50th update of Circular no. 285 of 17 December 2013 "Supervisory Provisions for Banks" of the Bank of Italy was published. This update, dated 26 August 2025, made changes to various sections of the Circular. In particular, it adapted national legislation to Basel 3, implementing EU Regulation 2024/1623 (CRR3) for the calculation of capital requirements. The amendments also included the revision of consolidated supervision, more stringent criteria on collateral notes, as well as a review of cooperative banks. In short, the 50th update shifted the bar towards greater European harmonisation, simplifying the regulatory framework by removing national rules that are now out of step with the EBA guidelines.

In addition, the 4th update of Circular no. 303 of 2018 "Reports on the availability of securities from banking groups", dated January 2025, was also published. These changes reflect the adaptation of Italian banking legislation to changes in European and international regulations, with a focus on capital requirements, risk management and reporting methods. This update took place to refine the quality and specificity of reports on the holdings in securities of the banking groups (SHSG). The main objective is to improve the monitoring of financial stability and the transmission of monetary policy by ensuring that information on holdings of securities (granularity by individual ISIN) is consistent between the various Bank of Italy databases. NACE definitions have also been adapted with the transposition of updates on the classification of economic activities (NACE Rev. 2.1) to correctly identify the business sector of issuers of securities in portfolio. In summary, this is a technical update to ensure that the data reported by the parent banks are fully aligned with the quality and detail requirements of the new ECB regulations.

There were no formal updates to Circular no. 262 in 2025.

2.3 The National Economic Context

Italy grew by 0.7% in 2025 for the second consecutive year (in terms of values adjusted for calendar and seasonally adjusted effects, while in volume growth amounted to only 0.5% given that 2025 had three working days less than in 2024). After growing by 0.3% in the first three months of the year (compared to the previous period), in the second quarter economic activity contracted by 0.1%, but then expanded again in the third and fourth quarters by 0.2% and 0.3%, respectively. The assumed change for 2026 (i.e., the average growth that would occur if economic activity remained flat in each quarter of the current year) is +0.3%. According to the latest government projections contained in the Public Finance Policy Document (DPFP) approved by the Council of Ministers on 2 October 2025, the Italian economy is expected to expand by 0.7% in 2026 and 0.8% in 2027. These estimates are substantially in line with projections by international organisations. Indeed, according to the IMF's last projections (in January), Italy will grow by 0.7% this year, while the Bank of Italy's (December) and the European Commission's (November) forecasts indicate growth of 0.6% and 0.8% respectively. The IMF and the Bank of Italy forecast an increase in GDP of 0.7% in 2027, and the European Commission, on the other hand, forecasts 0.8%.

Positive signals also came from the labour market in 2025. The unemployment rate continued to fall for the fifth consecutive year, reaching 5.5% in December, a new low in the historical series (i.e. at least since 2004). Compared to the end of 2024, the unemployment rate therefore decreased by nine tenths. The number of people employed rose for the fifth consecutive year, although by only 38 thousand to 24.101 million (+0.2%), reaching a new historical high in June of 24.174 million. The increase in employment concerned women (+104 thousand) and those aged 50 or over (+400 thousand), compared to a decrease between men (-66 thousand) and other age groups (-361 thousand). However, the increase in employees concerned only permanent employees and self-employed, which rose by 101 thousand (+0.6%) and 147 thousand (+2.9%) respectively, while temporary employees decreased by 210 thousand (-7.9%). For the ninth consecutive year, however, the number of people seeking work fell by 248 thousand to 1.405 million (-15.0%), a level never seen before, while those inactive between 15 and 64 years of age rose last year for the second consecutive year by 182 thousand to 12.559 million (+1.5%).

In 2025, consumer prices increased by an average of 1.5%, after rising only one percentage point in 2024. The slight acceleration of inflationary pressures is mainly due to the still sustained dynamics in service prices (+2.7% compared to +2.8% in 2024) and the more pronounced increase in food prices (+2.8% from +2.2%) while prices of energy goods still decreased, but less than in 2024 (-2.3% from -10.1%). Lastly, excluding the food and energy component, consumer prices grew by 1.9% last year (+2.0% in 2024). The carry-over inflation for 2026 (i.e., the average growth that would occur in the year if prices remained stable throughout the year), stands at zero.

2.4 The Economic Context in Northern Italy and Alto Adige

The economic context is outlined below, starting with the Bank's territory of origin and first reference market, namely the Alto Adige region, continuing with the other most important territories in which the Bank is present with its branches, namely Trentino and Veneto, and concluding with the Friuli-Venezia Giulia region, the main market of the subsidiary CiviBank.

Alto Adige

The South Tyrolean economy in 2025 is characterised by moderate growth. From the most recent IRE (Economic Research Institute of the Chamber of Commerce of Bolzano) report, it emerges that the gross domestic product (GDP), according to IRE estimates in 2025 recorded a growth of 0.9%, the same increase as in the previous year. The economic trend continues to be affected by the weakness of the main trade partners, in particular Germany and Austria, and the uncertainty related to international geopolitical tensions.

As far as foreign trade is concerned, South Tyrolean exports recorded a value of EUR 1,967.7 million (+2.0%). Exports to Germany declined (-9.7%), while Austria, the second largest market, decreased by 13.4%. Among the ten largest markets, the biggest increases were those to Romania, with exports almost double (+97.2%), Poland (+35.3%), the Netherlands (+25.3%) and France (+20.9%). The European countries to which it exports the most are still Germany (27.5% of total exports), Austria (10.2%) and France (6.9%).

As far as the tourism sector is concerned, in the first ten months of 2025 (last available data), more than 34.4 million overnight stays were recorded in South Tyrol, an increase of 2.4% compared to the same period last year. The presence of Italian visitors increased marginally compared to last year (+1.2%), while the decrease of 3.1% in nights spent by German visitors was more than offset by the increase in tourist attendance from other foreign countries, which rose by 14.9%.

The labour market remains stable despite some declines. The employment rate is 74.7%, while the unemployment rate is 1.8%. The latter indicator for women reaches 1.3%, one of the lowest values ever recorded.

Trentino

As far as the situation in Trentino is concerned, economic activity has continued to expand slightly. According to the Bank of Italy, real gross domestic product (GDP) growth would have increased by 0.7% (first half of 2025 – last available figure).

As far as foreign trade is concerned, according to the data of the Chamber of Commerce of Trento, the decrease in Trentino exports continues. In nominal terms, with EUR 1.20 billion, the value of Trentino exports decreased compared to the previous year (-3.3%). This performance is less favourable than that observed at both national level and in North-East Italy (+6.6% and +5.4% respectively). Considering the value of exports, for several years the ranking of the main countries places Germany first, a market to which goods are directed from Trentino for a total value of EUR 188 million, or 15.7% of sales made on international markets; the United States follows with about EUR 134 million (or 11.2% of total exports), the United Kingdom with EUR 123 million (or 10.3%) and France with EUR 111 million (or 9.3%). Comparison with the same period of 2024 shows substantial stability in trade with Germany (-0.9%), a significant drop in exports to the United States (-16.9%) and a growth in trade with the United Kingdom (+6.4%) and France (+6.3%).

With reference to tourism in Trentino, the winter season, which ended at the end of April 2024, closed on a highly positive note. The figures exceeded the excellent values recorded in the previous winter and became the best result of the last decade: the general increase in arrivals was 2.7% while attendance grew by 4.3%. Foreign tourists stood out, with an 8% increase in overnight stays. The number of tourists from Poland saw considerable growth (+19.5%); the increase in tourists from the Czech Republic was also above average (+13.8%). The summer season of 2024 (June to September) also ended positively compared with summer 2023: arrivals increased by 1.5%, and overnight stays by 1%. The figures for summer 2024 were close to the excellent levels recorded in 2022: compared with two years earlier, the significant rise in foreign tourists (+5.6%) nearly offset the drop in Italian visitors (-4.3%). According to the Trentino Statistics Institute (ISPAT), the total number of overnight stays during the summer exceeded 10 million.

On the employment front, the Trentino labour market recorded substantial stability in 2025. Indeed, the unemployment rate stood at 2.5%, remaining basically stable (+0.2 percentage points), as indicated by the ISPAT data.

Veneto

In 2025, economic activity in Veneto remained weak: according to data from the Bank of Italy, in the first half of 2025 the gross domestic product (GDP) increased slightly compared to the corresponding period of 2024 (0.4%). The uncertainty of the international framework, the difficulties of the German economy, the region's main trading partner, and the introduction of tariffs by the US administration have negatively affected manufacturing.

Exports fell, to a greater extent, to countries outside the EU (mainly China and the US). Among the European Union's main target markets, sales fell in France and Germany, while sales continued to increase in Spain.

As far as the tourism sector is concerned, the year 2025 closed with data above 2024 with over 22 million arrivals (+2.3%) and over 74 million visitors (+0.9%), thus becoming the new historical record of tourism statistics in Veneto, as confirmed by the data of the Statistical Office of the Veneto Region. In all the provinces the number of guests of the accommodation facilities is growing. In terms of overnight stays, increases were noteworthy in Belluno, Treviso, the province of Scaligera, the Rovigo area and the province of Vicenza. The only slight contractions were seen in the Padua area (-0.3%) and the Metropolitan City of Venice (-0.7%).

As far as the labour market is concerned, the unemployment rate was 3.1%, or almost half of that recorded at national level (5.8%) as the latest socio-economic Bulletin of the Veneto Region points out.

Friuli-Venezia Giulia

In 2025, the economy of Friuli-Venezia Giulia¹ showed weak growth, with GDP growth estimated at 0.4%, still positioned among the most dynamic regions of North-East Italy.

After a three-year decline, levels of activity in the manufacturing sector stabilised thanks to the support of foreign demand, which, however, weakened in the second quarter. In a context marked by strong geopolitical instability and persistent trade tensions, investment spending increased weakly, affected by uncertainty on economic prospects.

The construction sector continued to expand, also helped by high public demand; in fact, in the first nine months of the year, the increase in local government investments carried out since 2021, still supported by the implementation of the works envisaged by the NRRP (National Recovery and Resilience Plan), continued at rapid rates. In the real estate market, the growth in real estate sales in the first half of the year was associated with an increase in prices of homes.

In the tertiary sector, economic activity continued to expand modestly, partly thanks to the positive contribution of tourism-related services, which have benefited from further growth in both national and foreign visitor flows. Revenues in the retail sector were affected by the weakness of household consumption. Overall, the volume of

¹ Source: Bank of Italy – Economy of Friuli Venezia Giulia – November 2025

activity of the port system increased slightly, albeit with differentiated trends between sectors. In particular, the drop in container movements was countered by an increase in Ro-Ro traffic.

The economic and financial situation of companies remained positive. Liquidity, mainly represented by bank deposits, remained at historically high levels and companies' assessments of the ability to generate profits in the current year worsened only marginally. After a two-year decline, bank loans to businesses returned to growth in the summer months, partly thanks to the resumption of investment financing applications, which was helped by the fall in interest rates. Credit quality for companies remained high.

Employment stabilised in the first part of the year: the decrease in self-employed workers was in fact offset by a slight growth in those employed. In the private non-agricultural sector, the expansion of net hires, especially for workers with permanent contracts, was determined by a decline in terminations more intense than that of hires. The number of authorised hours of the redundancy fund increased moderately, particularly in the metallurgical sector.

Household purchasing power remained unchanged: the weak positive dynamics of disposable income were in fact offset by inflation, slightly higher than the previous year. Household spending decisions, which were affected by the low climate of trust and high uncertainty, were characterised by prudence and consumption stagnated. On the other hand, the growth in loans to households continued, driven mainly by the expansion of mortgages for home purchases and offer criteria from banks that remained relaxed. There were no signs of worsening on loan quality. Bank deposits increased moderately while the value of securities in custody continued to grow at rapid rates, also thanks to the positive price trends, particularly of equity shares.

2.5 The Financial Context

Interest Rates and Bond Markets

In 2025, central banks of the most important advanced countries, except Japan, continued to cut their key interest rates, some at faster pace, others at slower pace. In the United States, after 9 months of stability, the Federal Open Market Committee (FOMC), the monetary policy committee of the Federal Reserve (Fed), again lowered the fed funds rate by 25 basis points (1 basis point = 0.01%) in September, reducing it then by another 25 basis points both on 29 October and 10 December, bringing it within a range between 3.5% and 3.75%. By contrast, in 2024 rates had already been cut by 100 points. The so-called "dot-plot-chart" of December, which summarises the estimates of the rate curve by the various FOMC members, projects a further rate cut of 25 basis points in both 2026 and 2027. The dispersion of forecasts for the coming years remains however very broad and equal to 175 basis points for 2026 and 150 basis points for 2027. In fact, the highest estimate sees the rate at the end of 2026 in a region between 3.75% and 4%, and the lowest one between 2% and 2.25%. As for quantitative tightening (QT), from April, the monthly cap on Treasuries allowed to mature without reinvestment was lowered to only USD 5 billion per month from the previous USD 25 billion, in the meantime keeping the cap for mortgage-backed securities unchanged at USD 35 billion per month. At the October meeting, it was decided that the reduction in the size of the Fed's balance sheet would cease completely from 1 December (this involved reinvesting all maturing Treasuries, while the amount reimbursed from maturing mortgage-backed securities would be invested in Treasury Bills, i.e. short-term government bonds), while in December a resumption of short-term Treasuries purchases to support liquidity was announced. In the United Kingdom, however, the Bank of England (BoE) lowered the cost of money four times in 2025 (February, May, August and December), each by 25 basis points for a total of 100 basis points, bringing its "bank rate", its reference rate, to 3.75%. The BoE then decided to slow the pace of QT to GBP 70 billion a year (from the previous GBP 100 billion), i.e. the lack of reinvestment and the partial sale of securities purchased under the previous quantitative easing programme (QE). The Swiss National Bank (SNB) reduced its reference rate twice, each by 25 basis points, from 0.5% to zero. In contrast, the Bank of Japan (BoJ) again raised the cost of money in January and December by a total of 50 basis points to 0.75%, the highest since 1995. In September, it was also decided to launch the sale of the stock ETFs purchased over the years, at an annual rate of JPY 620 billion, or about EUR 3.4 billion. At this rate, it would take over 100 years to eliminate the current equity exposure of JPY 74,500 billion.

In the Eurozone, the ECB lowered the cost of money this year four times, in January, March, April and June, to a total of 100 basis points, bringing the deposit rate to 2.0%, the lowest level since February 2023, after having already reduced the cost of money by 100 basis points in 2024. In view of the continuing excess of reserves in the banking system, the deposit rate continues to be more important to the financial markets than the main refinancing operations rate (the "refi rate"), currently standing at 2.15%. As far as unconventional monetary policy instruments are concerned, the ECB balance sheet continues to decrease, as the principal repaid on maturing securities purchased over the years is no longer reinvested.

The further easing of monetary policy by the ECB in the first half of 2025 was also reflected in interbank rates. In fact, the 3-month interbank rate fell in July to 1.94% (it was 2.71% at the end of 2024), a minimum from November 2022, to then stabilise just above 2%. On the other hand, expectations of short-term interest rate developments increased during 2025 for all the time horizons, to a less marked extent however for the short maturities as compared to the long ones. Expectations of a further cut in interest rates have therefore been reduced to zero, while taking a more aggressive (though gradual) future monetary tightening for granted. The forward curve of the 3-month interbank rate, derived from future contracts, has therefore become considerably steeper. According to end-2025 prices, the 3-month interbank rate is expected to remain unchanged at least until December, then to gradually rise, reaching a maximum of close to 3.1% at the end of 2031.

The return on the government bonds of the countries of the Eurozone recorded violent fluctuations in the first four months of the year, conditioned by divergent factors: on the one hand the announcement, in early March, by the German Chancellor *in pectore* Friedrich Merz of a maxi multi-year public spending plan for investments in infrastructure and defence (and therefore the prospect of a strong increase in emissions in the coming years) and a first, albeit slight, reform of the constitutional deficit brake, on the other hand the presentation of "reciprocal" duties by US President Donald Trump on 2 April, which caused strong turmoil on financial markets and fuelling movements of "flight to quality", i.e. flight to shelter goods. The yield on the Bund, the 10-year German government bond, ended 2025 up 49 basis points at 2.86%, after having fluctuated during the year between 2.30% and 2.95%. However, the Schatz's performance varied little. The German 2-year bond, which most closely follows monetary policy developments, fell to 1.62% in April, its lowest level since October 2022, but then closed the year at 2.12%, up by just 4 basis points from the beginning of the year. The yield curve took a considerably steep upward climb. At the end of the year, the yield of the 10-year bond exceeds that of the two-year bond by 74 basis points.

Finally, with regard to the return on 10-year Italian government bonds (BTPs), this followed the Bund trend in the early months of the year, going briefly over 4% in March, the eight-month high, but then fell to 3.4% in June and showing a decidedly less volatile trend in the remaining months of the year, fluctuating between 3.30% and about 3.70%, before closing the year at 3.55%, up by just 3 basis points compared to the level at the end of 2024 (3.52%). On the other hand, the fall in performance on the short section of the curve that more closely follows monetary policy decisions was greater and therefore the ECB made a further cut in rates by 100 basis points in the first half of the year. The return on the 2-year BTP decreased in the first four months, also in the wake of excessive expectations of a reduction in rates by the ECB to 1.97%, the lowest level since August 2022, but then gradually recovered and closed the year at 2.20%, down in any case by 22 basis points compared to the end of 2024 (2.42%). Although there were highs and lows, the decline in the yield spread of the ten-year BTP compared to the Bund continued during the year. In fact, the so-called spread ended the year at 70 basis points (it was 115 basis points at the end of 2024), after briefly falling to 68 basis points in December, a level not reached since August 2009. In April, in conjunction with US President Donald Trump's presentation of so-called 'reciprocal' tariffs, the spread had however experienced a brief but violent increase, reaching 123 basis points, a maximum of five months. The further narrowing of the spread has been fostered this year by a number of factors: on the one hand by the continued improved resilience of the Italian economy compared to the German economy, also explained by the structural difficulties of the economic model of Germany (dedicated to exports and highly exposed to the automotive sector, which is affected, as regards electric cars, by the growing competition of Chinese producers), on the other hand by the prospect of a sharp increase in issues in the coming years to finance the German maxi public expenditure plan. The political stability in Italy and prudent public finance management also helps, evidenced by the probable return of the ratio of deficit to GDP below the 3% threshold already in 2025, therefore one year ahead of the original programme. The above developments have been rewarded by foreign investors

who continue to increase their exposure to Italian government bonds. In addition, during 2025, several rating agencies improved Italy's creditworthiness. Both Standard & Poor's and Fitch raised the rating by one step to "BBB+" in April and September, respectively, while in October DBRS Morningstar raised it from "BBB (high)" to "A (low)". Finally, Moody's raised the credit rating in November from "Baa3", the last step of the investment grade, to "Baa2". The outlook of all agencies at the end of 2025 was "stable".

Falling yields, especially at short maturities (but not at the long ones) and the associated increase in bond prices contributed to a positive return of 3.2% for Italian government bonds as measured by index performance. In contrast, returns on Eurozone sovereign bonds were less positive (+0.6%), penalised by rising yields on the long end of the curve, especially in Germany and France. As for credit, Euro-denominated investment grade corporate bonds gained 3.0%, while non-investment grade corporate bonds (high-yield bonds), also Euro-denominated, gained as much as 5.2%. The yield on maturity of corporate bonds fluctuated between 2.95% (minimum from August 2022) and approximately 3.40% in 2025, before closing 2025 at 3.20%, up by 5 basis points from the beginning of the year. The maturity yield on high yield bonds, on the other hand, fell by 42 basis points to 4.95%, reaching 4.73% in September, a minimum from April 2022. The spread of corporate bonds compared to government bonds fell in 2025 by 24 basis points to 78 basis points, after have however jumped to 127 basis points in April, a maximum from August 2024, affected by turmoil on financial markets linked to Donald Trump's announcement of "reciprocal" tariffs. The spread of high-yield bonds surged in April to 446 basis points, the highest level since November 2023, before closing 2025 at 264 basis points, down 44 basis points from the beginning of the year. Both the corporate bond spread and, to a greater extent, the high-yield bond spread are now below the average value of the last 10 years, which stand at around 120 and 380 basis points, respectively.

Stock Markets

The positive phase of the main international stock indices continued also in 2025, which has been in place for more than three years, i.e. from September/October 2022, although volatility temporarily rose at the beginning of April. During the year, in fact, the stock markets continued to update their respective all-time or multi-year highs. The prices were supported by a number of factors. First of all there was the downsizing of fears of a hard landing, a recession, in the United States and the resilience of the economy in the Eurozone (despite the multiple opposing winds such as tensions on tariffs with the United States, the strengthening of the euro, the challenges of the automotive sector, the increasing competitiveness of Chinese companies and the continuation of the war in Ukraine). Then there was the expectation of further cuts in rates by the Fed and renewed enthusiasm surrounding the topic of artificial intelligence (AI), which in the second half of the year benefitted mainly Wall Street, but also the Seoul Stock Exchange, the Chinese stock exchanges and the Tokyo Stock Exchange. Quarterly earnings reports and forward guidance from US and European companies again provided support for prices, as in 2024. In fact, earnings consistently exceeded expectations in each quarter. In the first half of April, US President Donald Trump's presentation of "reciprocal" tariffs led to a surge in volatility and a temporary fall in prices, with declines of between 15% and 20% for the main indices from the highest reached in the early months of the year. The VIX, the index that measures the implicit volatility of the S&P 500, briefly pushed over 50 points, the highest level of almost five years, i.e. from the start of the Coronavirus pandemic in 2022. The further escalation of tensions in the Middle East, culminating in the "12-day war" between Israel and Iran in June with the direct participation of the United States to prevent Tehran from equipping itself with nuclear weapons, also led to a brief increase in volatility, but without being able to affect the underlying upward trend that much. In October and November, the VIX moved up again to 30 points, suffering from a temporary escalation of fears for the health of regional banks in the United States and growing concerns about the high ratings achieved in the meantime by technology securities, and primarily by AI-linked securities.

Global equities rose in 2025 by 16.9% in local currency terms, but only by 5.4% in euro terms due to the concomitant strengthening of the single currency. This is the third consecutive year of double-digit growth. In line with the performance of global stocks was the increase in US shares, which rose by 16.4% (+2.6% in euro), still benefiting from the impetus of the so-called "Magnificent 7", i.e. the seven technological megacaps Nvidia, Apple, Alphabet (the parent company of Google), Microsoft, Amazon, Meta Platforms (formerly Facebook) and Tesla. In fact, their prices rose by as much as 24.6%. The equi-weighted index, which assigns each index component an

equal weight of 0.2%, shows only an increase of 9.3%. European stocks also posted a very positive performance, gaining 16.7%. Standing out above all among the main European stock markets was the leap of Madrid (+49.3%), followed by Milan (+31.5%) and Frankfurt (+23.0%). Amsterdam instead was below par (+8.3%). The Tokyo Stock Exchange rose by 26.2% in local currency (+12.1% in euro). Prices were supported by the weakness of the yen (this improves the competitiveness of Japanese exporters) and, from October, by Sanae Takaichi's election as the country's first female premier. Takaichi is a supporter of Abenomics, the economic policy of the late former Premier Shinzo Abe, based on fiscal spending, expansionary monetary policy, and structural reforms. Lastly, the stocks of emerging countries were also up 28.3% in local currency (+15.1% in euro). The largely positive performance is explained in particular by the sharp increase in South Korean shares (+75.6%). However, the trend of Chinese "offshore" shares (+28.3%), or those listed abroad, first and foremost in Hong Kong and New York, was also very positive.

Forex

The euro appreciated against major currencies in 2025, despite further monetary policy easing in the Eurozone in the first half of 2025 (the ECB lowered the cost of money by 100 basis points). Indeed, the effective nominal exchange rate (+5.8%), which measures its trend against the currencies of the 18 main trading partners of the Eurozone, pushed in December to the maximums of over 11 years, before slightly losing ground. The single currency strengthened significantly at the beginning of March, in the wake of an improvement in the Eurozone's medium-term growth prospects with the announcement of the German maxi public spending plan, and then again at the beginning of April. The presentation of "reciprocal" tariffs by US President Donald Trump fuelled fears of a "hard landing" in the US and expectations of more pronounced rate cuts by the Fed, weakening the dollar. The US dollar was also affected by the Trump administration's ongoing attacks against the Fed's independence, culminating in August with the request for the resignation of Governor Lisa Cook, accusing her of falsifying documents to obtain more favourable conditions on real estate mortgages. The euro appreciated last year especially against the US dollar (+13.5% to USD 1.1746), going briefly in September over USD 1.19, the highest since June 2021. However, the single currency also strengthened significantly against the yen (+13.0% to JPY 184), establishing a new historical high in December in the area of JPY 185, the South Korean won (+10.8%), the New Zealand dollar (+10.2%) and the Taiwan dollar (+8.7%). The Japanese currency was affected by political instability (the ruling coalition also lost a majority in the Upper House of Parliament), which resulted in the resignation of Prime Minister Shigeru Ishiba, who was replaced by Sanae Takaichi. Takaichi's election in October fuelled expectations of a more expansive fiscal policy and a postponement of the next rate hike by BoJ. On the other hand, the rise against the pound sterling (+5.3% to GBP 0.8717) was considerably smaller, with the exchange rate, which rose in November to GBP 0.8865, a peak from April 2023, showing strong fluctuations during the year. At the same time, however, the euro lost ground against the Swedish krona (-5.6%), the Mexican peso (-1.9%) and the Swiss franc (-1.0%). The exchange rate against the Swiss currency has fluctuated since May mostly between CHF 0.92 and CHF 0.9450. The Swiss franc, as it is considered a good shelter, has been supported by geopolitical and trade tensions, and by the high uncertainty that characterises the second Trump presidency.

2.6 The credit System

Dynamics of Bank Lending²

In 2025, the dynamics of bank loans in Italy showed a progressive acceleration, closing in December with a +2.3% on an annual basis for households and businesses. Growth was driven by loans to households (+2.5%) and supported by lower interest rates, with mortgages falling to 3.37% at the end of the year.

Interest Rates on Loans

² Source ABI Monthly Outlook – January 2026

Based on initial estimates by the ABI Economic Analysis Office in December 2025, the average rate on total loans (i.e., subscribed over the years) remained unchanged at 3.97%, while the average rate on new home purchase transactions was 3.37% (4.42% in December 2023). The average rate on new business loan transactions was 3.64% (5.45% in December 2023).

Credit Quality

In November 2025, net non-performing loans (i.e., the collection of bad loans, unlikely-to-pay exposures, and past-due or overdrawn exposures, net of impairments and provisions already made by banks) declined to EUR 29.7 billion, from EUR 30.1 billion in June 2025 (EUR 31.3 billion in December 2024). Compared to their peak level of EUR 196.3 billion reached in 2015, they are now down by around EUR 167 billion. In the same month, net non-performing loans represented 1.42% of total loans. In June 2025, this ratio was 1.46% (1.51% in December 2024; 9.8% in December 2015).

Overall, therefore, in 2025, the quality of Italian bank credit showed a progressive improvement, with net bad loans falling to about EUR 28 billion at the end of the year. Despite the economic context, the deterioration rate remained moderate, supported by high provision levels and continuous de-risking activities on non-performing loans (NPLs).

Dynamics of Customer Funding

Total direct funding (deposits from resident customers and bonds) in December 2025 increased by 2.0% on an annual basis, continuing the positive dynamics recorded since early 2024. Indirect funding showed an increase of EUR 106.5 billion between November 2024 and November 2025 (EUR 35.7 billion households, EUR 19 billion companies and the remainder to the other sectors, financial companies, insurance companies, public administration).

In December 2025, the deposits, in the various forms, grew by 2.1% on an annual basis.

Medium and long-term funding through bonds rose by 1.1% in December 2025 compared to a year earlier.

Therefore, in 2025, bank funding in Italy recorded sustained growth, exceeding the EUR 100 billion annual increase, driven by the return of interest in bonds and time deposits. The data from the ABI show a rebalancing of the savers' portfolio, with a strong expansion in both direct funding and indirect funding.

Interest Rates on Funding

The average rate applied to new deposits with a fixed term (i.e., certificates of deposit and term deposits) was 2.14% in December 2025. In November, this rate was higher than the Eurozone average (Italy 2.12%; Eurozone 1.88%). Compared to June 2022 (last month before the ECB rate hikes), when the rate was 0.29%, the increase was 185 basis points. The return on new issues of fixed-rate bank bonds in December 2025 was 2.39%. In December 2025, the average rate on total deposits (certificates of deposit, savings deposits and current accounts) remained unchanged at 0.63 (0.32% in June 2022). The rate on current accounts, which do not have the investment function and allow a multitude of services to be used,

Margin Between Lending Rate and Funding Rate

The margin (spread) on new business (difference between rates on new loans and new funding) with households and non-financial corporations in December 2025 was 213 basis points.

3 The Group's Position

During 2025, the Cassa di Risparmio di Bolzano Group continued its strengthening and growth path, consolidating the positive results already obtained in previous years. After the business combination that took place in 2022, which had seen the entry of Banca di Cividale S.p.A. into the group, and the completion of operational integration in 2023, 2025 marked a new phase of maturity and development for the Group.

During 2025, the business model adopted by the subsidiary CiviBank was further refined and integrated with the strategies of the Parent Bank, allowing for further process uniformity and greater management efficiency. In addition, new digital tools were implemented and synergies between the various Group companies were strengthened, with a focus on innovation of services to customers and strengthening territorial oversight.

The macroeconomic context of 2025 saw the Italian banking system continue to demonstrate significant resilience, despite international uncertainties and new challenges related to financial market evolution. The European Central Bank, after the series of interest rate cuts in 2024, maintained a prudent approach in 2025, contributing to a framework for interest rate stability and inflation that gradually came close to the 2% target in the Eurozone. This scenario fostered a gradual recovery in consumption and investment, both by households and businesses.

Also in 2025, the main Italian banks confirmed the solidity of their results, and the Sparkasse Group stood out again for its ability to achieve and exceed the budget targets. The year came to an end with a consolidated net profit achieved by the Parent Bank which reached EUR 83.5 million, while the Group's overall net result came to EUR 87.5 million.

Risk monitoring continued to be a priority for the Group: the risk indicator of the loan portfolio, understood as the sum of the two banks, stood at 3.7%, while the net value of provisions brings the indicator to 1.9%. The coverage levels of non-performing loans remained at more than satisfactory levels, reaching 47.0% at the end of 2025 in the consolidated configuration, while the combined coverage of the two banks' portfolios increased to 49.4%. These results were obtained through a careful monitoring and management of credit exposures, which made it possible to promptly prevent any situations of difficulty and support customers in a proactive manner.

In terms of capital, the Group further reinforced its strength: The CET1 ratio stood at 16.64% and the TC ratio at 18.22%, values that include the application of the AIRB models for credit risk measurement, after the communication received by the Bank of Italy on the absence of the conditions precedent to the application of the advanced model, as well as the regulatory changes introduced by the CRR 3, and confirm the Group's ability to face market challenges with serenity and to respond to future growth needs.

The 2025 income statement reflects the Group's ability to consolidate revenues in the core segments: Net interest income amounted to EUR 285.6 million, while income from services, net of components referring to the commissions paid in the context of the rescue of Eurovita and the synthetic securitisation, reached EUR 138.0 million, confirming the growth in the diversification of sources of income. Financial revenue amounted to EUR 8.0 million.

The cost of credit risk relating to cash loans decreased compared to the figure of the previous year, to EUR 8.4 million, while the endorsement loans component recorded a small recovery in value of EUR 0.5 million, data that confirm the good quality of the risk profile already pursued by the Group for years.

Reclassified operating costs amounted to EUR 182.1 million, with a slight growth (+1.4%) compared to the normalised 2024 figure for extraordinary and non-recurring components, thanks to a rigorous expenditure optimisation policy and organisational efficiency initiatives. The normalised Cost-Income-Ratio was at a level of 65.7%.

With regard to the assets under management, the total volume of gross loans as at 31 December 2025 was EUR 9.965 billion, showing a slight increase (+1.1%) compared to the 2024 figure. The new disbursements of loans reached EUR 1,941 million, of which EUR 1,446 million went to businesses and EUR 494 million to households, testifying to the Group's ongoing commitment to support the real economy.

Direct funding stood at EUR 12.798 billion (+4.7% excluding MTS repo transactions), reporting stable growth and continued trust on the part of customers. Particularly significant was the performance of the assets under management, which recorded a further increase in assets (+12.4%) thanks to both the positive net flows and the good performance of financial markets and the increase in the fair value of investments. This trend confirms the increasingly central role of the Cassa di Risparmio di Bolzano Group as a point of reference in consultancy and asset management.

The year 2025 marked a further step forward for the Sparkasse Group on the path of sustainable growth and consolidation of its position in the Italian banking market, also in a context characterised by new economic challenges and increasing complexity. The focus on service quality, the ability to innovate and capital strength remain the pillars on which the Group will continue to build its future, strengthening its relationship of trust with customers and enhancing the human and professional capital of its people.

3.1 Operating Performance and Consolidated Income Statement

The main changes in the Group's income statement during the period compared with the previous year are outlined below.

Revenues from net interest income amounted to EUR 285.6 million, with a slight decrease (-3.5%) compared to 2024 and essentially attributable to the monetary policy dictated by the ECB with the reduction in interest rates, which saw the reduction in both the asset and liability components of the margin. With reference to the item, the cost of direct funding and the cost of long-term repo transactions with bank counterparties remains incurred. The reduction in the volumes of the securities portfolio also resulted in a reduction in the coupon component deriving from these investments.

With regard to income from services, there was a slight improvement compared to 2024, despite the recognition of negative commissions related to the Eurovita transaction and the structuring of a synthetic securitisation by the Parent Bank, the former increasing compared to the previous year and the latter slightly decreasing. Excluding these components, the 2025 figure stands at EUR 138.0 million, marking a 1.4% increase over the strong results recorded in 2024, confirming the trend of increasing diversification.

Dividends received amounted to EUR 3.1 million, a decrease of EUR 1.0 million compared to the result of the previous year, which had benefitted from the collection of some extraordinary dividends by the subsidiary CiviBank.

The "Net profit (loss) from trading" posted a performance of EUR 1.7 million, an increase compared to EUR 2.6 million achieved the previous year.

"Net profit (loss) from hedging" stands at almost the same level as in 2024 at EUR 5.6 million, compared to EUR 5.7 million in 2024. This result is linked to the positive valuation of certain interest rate risk hedging contracts, entered into by the two banks of the Group. As a result of interest rate developments compared to the previous year, and projections for future rate trends, these contracts were recognised with positive fair values compared to their valuation at the end of the previous financial year.

The result for the item on gains/losses on the sale or repurchase of financial assets measured at amortised cost rather than at fair value with an impact on comprehensive income improved, at EUR 1.3 million compared to EUR 0.8 million of year-end 2024, thanks to the profits realised by banks on the sale of certain credit positions in the non-performing segment.

On the other hand, the "Net profit (loss) on financial assets and liabilities measured at fair value through profit or loss" of EUR 3.7 million was negative as it was affected by some losses recorded on the fair value of units of UCITs and AIFs with mainly non-performing underlying loans and for which the fair value determination deviated from the book value recorded at the end of the previous year, following the streamlining of the methods for determining fair value, more precisely with a negative impact of around EUR 2.4 million for CiviBank and EUR 1.2 million for Sparkasse.

The cost of credit totalled EUR 7.9 million, including both provisions on on-balance-sheet loans and those for commitments and guarantees issued. In the previous financial year, the cost of credit was significantly higher at EUR 23.4 million.

Net operating costs, excluding provisions for commitments and guarantees issued, amounted to EUR 282.1 million—a slight increase of EUR 4.0 million compared to the previous financial year 2024, in which extraordinary

capital gains of EUR 30.8 million realised from the sale of business units relating to acquiring activities were recognised. The item "Personnel expenses" increased by EUR 7.4 million over the previous financial year due to new hires by the two banks within the branch network and the impact of the final tranches of salary increases under the national collective labour agreement (CCNL). "Other administrative expenses" decreased significantly (EUR -7.0 million, or -6.0%), while "Other operating income/expenses" decreased slightly by EUR 2.4 million, again net of the capital gain deriving from the sale of the "acquiring" business.

"Net allocations to provisions for risks and charges", excluding the credit risk component, were positive at EUR 0.7 million, by and large in line with the EUR 0.5 million write-back recognised in the previous year.

Items 210 and 220, "Net value adjustments/write-backs to property, plant and equipment/intangible assets", amounted to EUR 20.0 million and EUR 8.7 million, respectively. Depreciation recorded on property, plant and equipment increased by about 6.6%, while amortisation of the intangible component is in line with the values of the previous year after it marked a significant increase of 26% with respect to the significant investments made in recent years with the aim of innovating and strengthening the bank's activities, especially in the technological field.

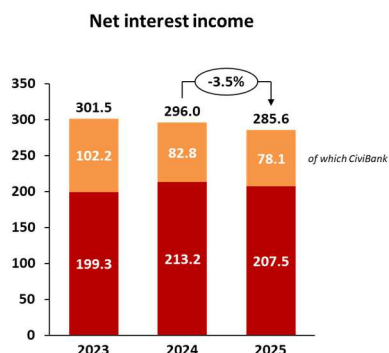
Finally, the provision for taxes amounted to EUR 39.5 million, down 7.6% from the 2024 figure (EUR 42.8 million).

The reclassified income statement figures compared with those of the previous year show the following situation:

RECLASSIFIED CONSOLIDATED INCOME STATEMENT (in millions of euro)		31/12/2025	31/12/2024	Change	
				absolute	%
30.	Net interest income	285.6	296.0	(10.5)	-3.5%
10.	Interest income and similar revenues	465.9	610.1	(144.2)	-23.6%
20.	Interest expense and similar charges	(180.4)	(314.1)	133.7	-42.6%
	- of which interest expense on financial payables for leases (IFRS 16)	(0.7)	(0.7)	0.1	-7.2%
120.	Financial margin	8.0	14.4	(6.4)	-44.6%
70.	Dividends and similar income	3.1	4.0	(1.0)	-24.5%
80.	Net profit (loss) from trading	1.7	2.6	(0.9)	-33.5%
90.	Net profit (loss) from hedging	5.6	5.7	(0.0)	-0.7%
100.	Gains (losses) on disposal or repurchase of:	1.3	0.8	0.6	71.9%
	a) financial assets measured at amortised cost	1.3	0.8	0.5	65.9%
	b) financial assets measured at fair value through other comprehensive income	0.0	0.0	0.0	4611.0%
	c) financial liabilities	(0.0)	(0.0)	0.0	-18.4%
110.	Net income from other financial assets and liabilities measured at fair value through profit or loss	(3.7)	1.4	(5.1)	-372.5%
	a) financial assets and liabilities designated at fair value	0.0	0.0	0.0	
	b) other financial assets mandatorily measured at fair value	(3.7)	1.4	(5.1)	-372.5%
60.	Income from services	121.7	119.0	2.7	2.3%
40.	Fee and commission income	151.1	146.8	4.4	3.0%
50.	Fee and commission expense	(29.4)	(27.7)	(1.7)	6.0%
150.	Gross contribution margin	415.2	429.5	(14.2)	-3.3%
190.	Administrative expenses:	(278.2)	(277.8)	(0.3)	0.1%
	a) staff expenses	(167.8)	(160.4)	7.4	4.6%
	b) other administrative expenses	(110.4)	(117.4)	7.0	-6.0%
210.+220.	Amortisation and depreciation	(28.7)	(27.5)	(1.2)	4.5%
	- of which depreciation on rights of use acquired through leases (IFRS 16)	(7.2)	(6.9)	(0.3)	4.1%
230.	Other operating income/expenses	24.8	58.0	(33.3)	-57.3%
	Net operating costs	(282.1)	(247.3)	(34.8)	14.1%
	Gross operating result	133.1	182.2	(49.1)	-26.9%
130.	Net value adjustments/write-backs for credit risk relating to:	(8.4)	(28.9)	20.6	-71.1%
	a) financial assets measured at amortised cost	(8.4)	(29.1)	20.7	-71.2%
	b) financial assets measured at fair value through other comprehensive income	(0.0)	0.1	(0.1)	-106.9%
140.	Gains/losses from contractual amendments without cancellations	(0.7)	0.1	(0.8)	1075.9%
200.	Net allocations to provisions for risks and charges	1.2	6.1	(4.9)	-80.4%
	a) commitments and guarantees issued	0.5	5.5	(5.1)	-91.7%
	b) other net allocations	0.7	0.5	0.2	38.0%
	Net operating result	125.2	159.4	(34.1)	-21.4%
250.	Gains (losses) on equity investments	0.3	0.1	0.2	152.8%
260.	Net result from fair value measurement of property, plant and equipment and intangible assets	0.9	0.2	0.7	345.4%
280.	Gains (losses) from disposal of investments	0.2	1.0	(0.9)	-83.2%
290.	Gross profit / (Gross loss)	126.6	160.7	(34.1)	-21.3%
300.	Income taxes for the year on current operations	(39.5)	(42.8)	3.2	-7.6%
320.	Profit (loss) from discontinued operations after tax	0.5	(0.3)	0.7	-294.7%
340.	Profit (loss) for the year attributable to minority interests	(4.0)	(4.6)	0.6	-13.1%
350.	Profit (loss) for the period	83.5	113.1	(29.6)	-26.1%

The changes in the various items are described in more detail below.

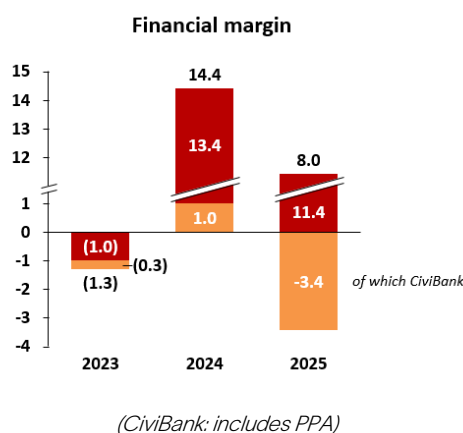
Net Interest Income



Net interest income is affected by the ECB's monetary policies, which led to a reduction in interest rates in the first half of the year and remained unchanged in the second half. This trend saw a significant reduction in its asset and liability components compared to the previous year's values, with an overall reduction of 3.5 percentage points, corresponding to EUR 10.5 million. Among the most important contributors were interest paid on open market transactions (EUR 6.4 million for Sparkasse and EUR 8.6 million for CiviBank) and "repo" repurchase agreements with banks partly with the underlying guaranteed bonds issued by the Bank itself (EUR 20.5 million in Sparkasse and EUR 4.0 million in CiviBank). The cost paid on customer direct funding remains high, while the contribution of the asset differentials on the interest rate risk hedging derivatives entered into by the Bank to generically cover a portfolio of fixed-rate loans was significantly reduced. The contribution of the coupon component on the asset securities portfolio was also reduced due to both the decrease in its volumes and the reduction in interest rates. The lending portfolio is also affected by the low interest rate policy, with a slightly mismatched "reactivity" in the re-pricing of maturities.

The contribution of the subsidiary CiviBank includes the adjustment components of the purchase price allocation and the associated reversals of approximately EUR 4.4 million, relating to the securities portfolio measured at amortised cost and loans to customers for loans classified as "POCI" in accordance with IFRS 9.

Financial Margin

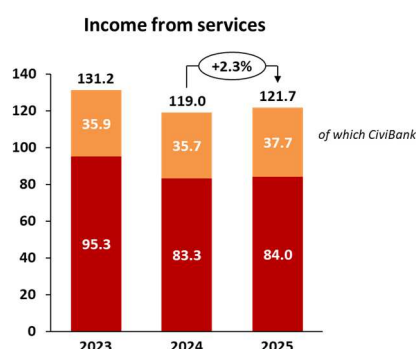


The financial margin also recorded a very positive result in 2025, amounting to EUR 8.0 million. This performance reflects EUR 3.0 million in dividends received by the Group from minority equity holdings, and the positive contribution from hedging activities, which generated net capital gains on interest rate risk hedging derivatives

totalling EUR 5.6 million. The net profit (loss) from trading recorded a positive figure of EUR 1.7 million. Finally, the item of gains/losses on the disposal of assets measured at amortised cost recorded a positive result of approximately EUR 1.3 million, mainly attributable to profits on disposals of non-performing loans, while the net profit of financial assets mandatorily measured at fair value recorded a negative result of EUR 3.7 million, with a negative impact arising from the fair value measurement of some units of UCITs and AIFs with underlying mainly non-performing loans, only partially offset by the positive fair values recognised in some mutual investment funds held in the portfolio.

Income from Services

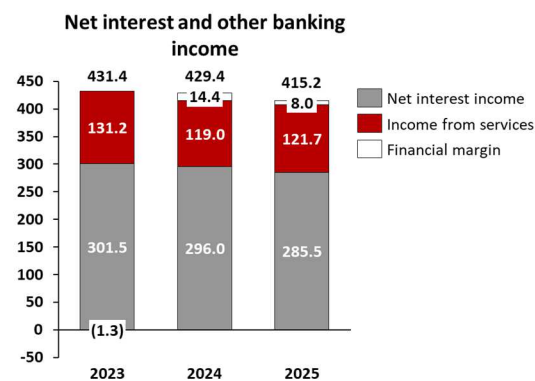
The margin from services stands at satisfactory levels and above those of the previous year with an increase of 2.3%, corresponding to EUR +2.7 million. The fee and commission expense paid by the Parent Bank affects the margin in relation to i) the rescue operation of the insurance company Eurovita SpA (now CronosVita Assicurazioni SpA), covering servicing activities and the unused portion of funds made available by a pool of banks in case drawdowns exceeded the approved maximum commitment, ii) fee and commission expense on financial guarantees received and recognised by the Bank to investors in the mezzanine tranches of the synthetic securitisation initiated from 1 December 2023; these amounts totalled EUR 8.1 million and EUR 7.9 million respectively, to which EUR 0.3 million is added for the Eurovita component borne by CiviBank.



As regards fee and commission income, on the other hand, the Bank confirmed its ability to provide its customers with increasing professionalism in a relationship of increasing trust by successfully offering them specialist consultancy services, particularly in the assets under management and insurance sectors, which remain drivers of the service margin. In fact, fee and commission income increased by +3.0% (EUR +4.4 million) compared to the end of the previous financial year. The contribution from fees and commissions related to financial instrument activities was particularly positive. Finally, commissions related to the area of payment services decreased strongly, on which the acquiring and issuing credit cards circuit charges and the elimination of the commission part related to the merchant acquiring branch sold by the two banks in 2024 weighed.

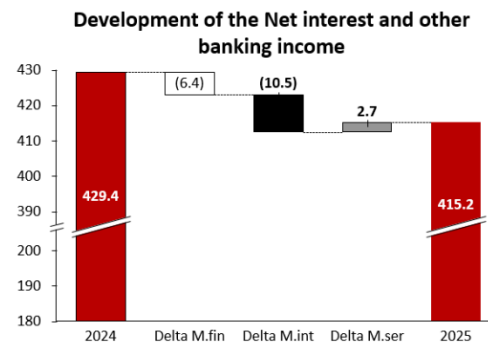
The contribution of the subsidiary Banca di Cividale increased compared to that of the previous financial year, thus consolidating its contribution to the Group's result.

Net Interest and Other Banking Income

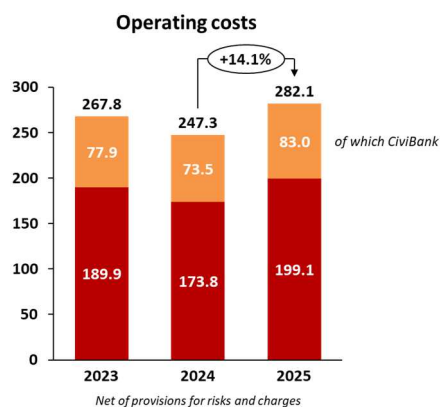


As a result of the above-described dynamics and of the details that make up the net interest and other banking income, its overall value is represented in the graph above.

The breakdown of the change in net interest and other banking income is shown below.



Net Operating Costs



From the comparison with the previous year, the chart shows an increase in operating costs of EUR 34.8 million, which should however be read by excluding from the 2024 financial year the positive component of EUR 30.85 million related to the capital gain deriving from the sale by both banks of the Group of the business unit referring to "merchant acquiring". Net of this extraordinary and non-recurring component, the increase in net operating costs amounted to EUR 4.0 million.

Also within the scope of the aforementioned rescue operation of CronosVita, other income includes contributions related to the rebalancing agreement on fees and commissions among the banks participating in the rescue, amounting to EUR 2.2 million.

"Personnel expenses", on the other hand, increased by EUR 7.4 million, partly due to the periodic increases provided for by the renewed national collective labour agreement (CCNL) and partly due to new hires.

As for "Other administrative expenses", a considerable savings (EUR -7.0 million) compared to the expenses of the previous year was recorded, for a total of EUR 110.4 million.

"Net value adjustments/write-backs to property, plant and equipment/intangible assets" amounted to EUR 20.0 million and EUR 8.7 million, respectively. Depreciation recorded on property, plant and equipment increased by about 6.6%, while amortisation of the intangible component is in line with the values of the previous year after it marked a significant increase of 26% with respect to the significant investments made in recent years with the aim of innovating and strengthening the bank's activities, especially in the technological field.

It should also be noted that the consolidated result is net of intercompany transactions, such as the fee for the servicing contract between the Parent Bank and Banca di Cividale relating to seconded staff at Sparkasse, as well as lease payments for capital goods made by the banks to the subsidiary Sparim. The contributions of the other Group companies were not very significant.

Gross Operating Result

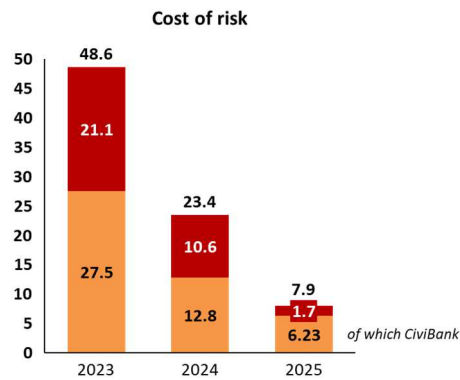
The gross operating result for 2025 amounted to EUR 133.2 million, compared to EUR 182.2 million euro in 2024; a result that, as repeatedly specified, must be purified from the extraordinary component of EUR 30.85 million in the capital gain from the sale of the "acquiring" business, net of which the reduction amounted to EUR 18.3 million. CiviBank's contribution was positive for EUR 29.4 million. The change compared to the previous period should be analysed considering that in 2024 the contribution provided by CiviBank included EUR 8.0 million of the gain from the sale of the acquiring branch and that the reversal of the purchase price allocation decreases progressively and significantly; in 2024 this component amounted to EUR 9.7 million compared to EUR 4.2 million at the end of 2025. Net of these components, the subsidiary's contribution was EUR 28.3 million.

The result achieved represents the sum of the performances achieved with reference to the various aggregate figures of the income statement, which are commented on above.



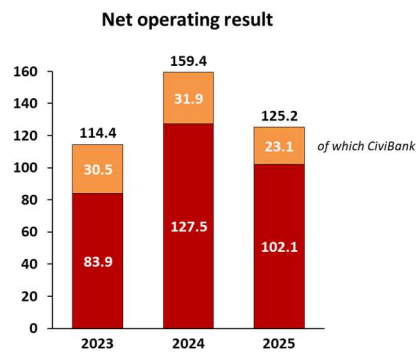
Cost of Risk

The policies on hedging risks on performing and non-performing loans, also fully adopted by the subsidiary Banca di Cividale already from the previous year, led the banking Group to record a total cost of risk of EUR 7.9 million, against EUR 23.4 million in the previous financial year. It is a result that rewards the careful credit management policy pursued by the Group. In analysing the two cash credit and endorsement loan components, i.e. on commitments and guarantees issued to customers, the former required provisions of EUR 8.4 million, while the second allowed release in the form of write-backs of EUR 0.5 million.



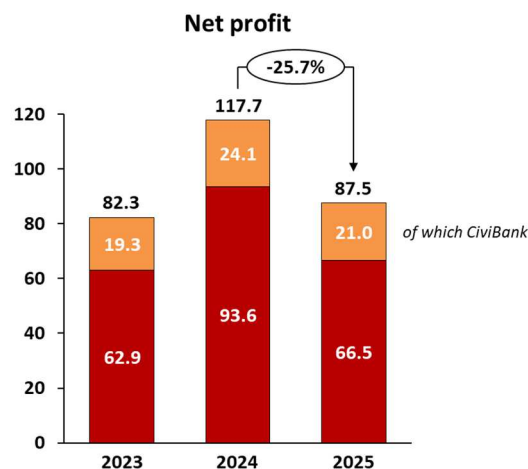
In light of the above, the indicator that measures the riskiness of the non-performing loan portfolio reached the gross level of 3.5%, which corresponds to a value of 1.9%, net of allocations. In 2024, the two indices stood at 3.6% and 1.9% respectively; these values confirm the excellent quality of loans and a system-level positioning of absolute excellence. The coverage of the impaired portfolio decreased from 49.2% at the end of 2024 to 47.0% at the end of 2025.

Net Operating Result



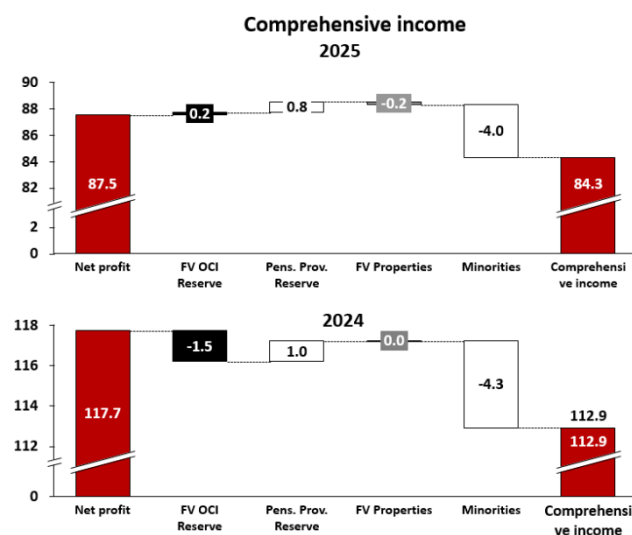
The net operating result, as the sum of the various aggregates discussed above, recorded a value of EUR 125.2 million, compared to EUR 159.4 million at the end of 2024.

Net Profit



The Group's net profit for the year was EUR +87.5 million, with a profit attributable to the Parent Bank of EUR 83.5 million and a profit attributable to non-controlling interests of EUR 4.0 million. It is a result that, net of the non-recurring component generated by the sale of the acquiring branch in 2024, is slightly growing.

Comprehensive Income

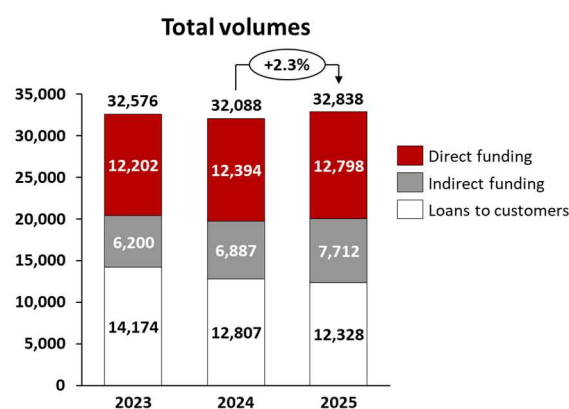


Comprehensive income at 31 December 2025 amounted to EUR 84.3 million, an amount that includes, in addition to the net result for the period, also the positive changes in "Financial assets (other than equity securities) measured at fair value through other comprehensive income" (EUR +0.4 million), the result of "Equity securities designated at fair value through other comprehensive income" (EUR -0.2 million), the adjustment of the actuarial reserve of the internal pension fund, with reference to the "defined benefits" Sections, equal to EUR +0.8 million, and a negative change in the "Property, plant and equipment" reserves deriving from adoption of the revaluation model on capital goods for the Group amounting to EUR -0.2 million.

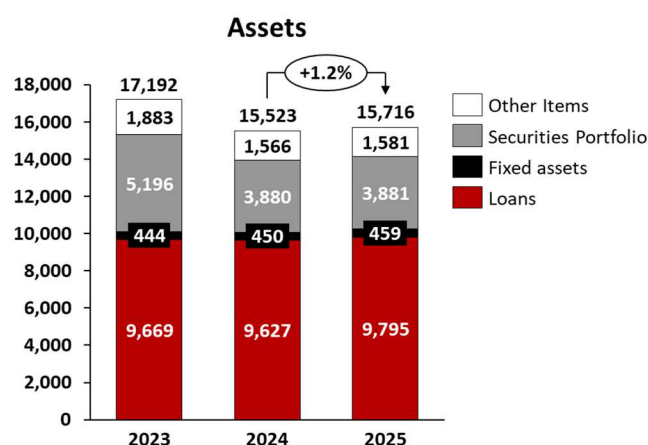
All components are recognised net of the related tax effect.

3.2 Performance of Balance Sheet Aggregates

Total Volumes and Balance Sheet Assets



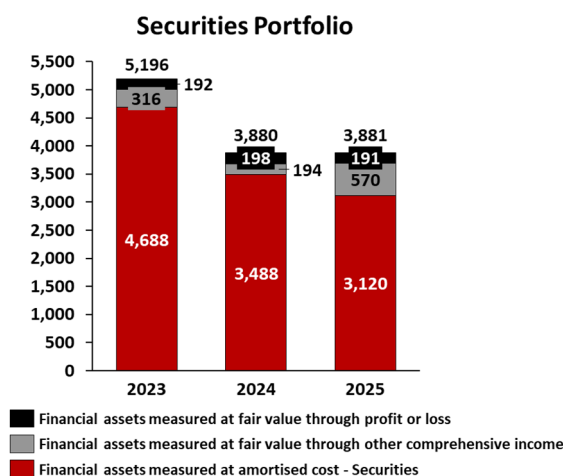
The Group's total volumes amounted to EUR 32.8 billion, up slightly by +2.3% from the figure of the previous financial year of EUR 32.1 billion.



The Group's assets, which amount to EUR 15.7 billion, are presented as shown in the table above. Overall, the increase in assets compared to the previous year is +1.2%; this growth is mainly attributable to an increase in loans, while the other items remain substantially in line with the previous year-end values. Fixed assets as at 31 December 2025 amounted to EUR 459 million.

The Proprietary Securities Portfolio

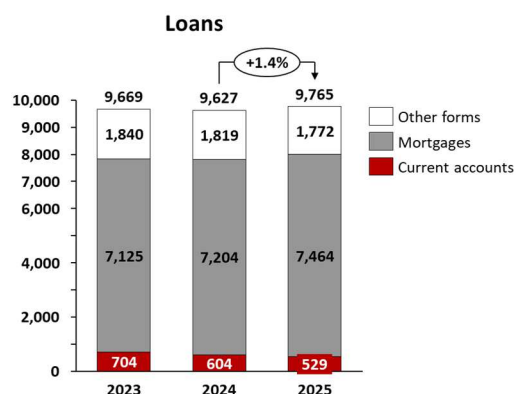
The size of the securities portfolio remained at the same figure of the previous year, which had instead fallen sharply compared to the year before, due to the redemption of debt securities that had been pledged as collateral for refinancing operations with the ECB by the Group's two banks.



As in previous years, also during 2025 the Bank's liquidity reserves were invested mainly in short and medium-term Italian Government bonds, thus combining the need to hold Government bonds for a significant amount with the objective of a spread remuneration over risk-free rates. During 2025, the amount invested in government bonds decreased overall, while maintaining by far the greatest weight, in favour of Italian and European covered bonds. In light of the non-short/very short residual life at the time of purchase, the predominant part of the bond portfolio is classified according to the "held to collect" business model.

This capital allocation, in addition to complying with the Basel III criteria on liquidity reserves, was set in line with the market risk profile defined by the Bank as part of the risk appetite framework, defined on a daily basis in terms of Var (value at risk).

Loans



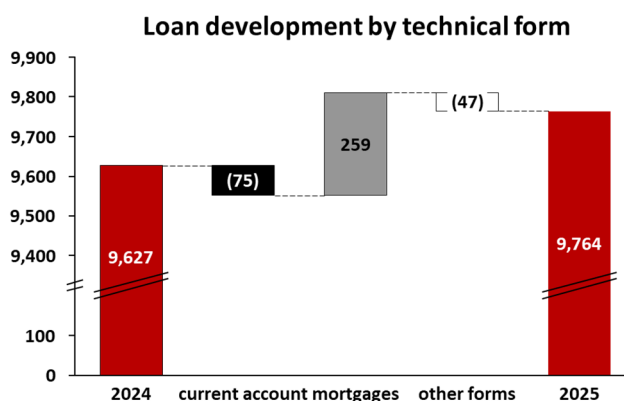
It should be noted at the outset that the amount of net loans to customers does not coincide with the figure for the financial statements item "Assets measured at amortised cost: loans to customers", also due to the presence in the item of the financial assets at amortised cost held by the two Banks, classified as debt securities, excluding those issued by banks.

Net loans to customers for financing measured at amortised cost amounted to EUR 9,764.9 million (gross carrying amount of loan to customers at amortised cost of EUR 9,982.5 million, against which value adjustments of EUR 217.6 million were allocated). Loans to customers include guarantee margins paid by banks to the "Cassa di Compensazione e Garanzia" for repo operations of EUR 18 million.

The overall degree of coverage as at December 2025 of loans to customers was 2.18%. In particular, in accordance with the allocation required by the international accounting standard IFRS 9 "Financial instruments", the coverage ratio of performing exposures, classified in the so-called "first stage" and "second stage" is 0.54%, while the coverage ratio of non-performing exposures, in the so-called "third stage", amounted to 47.0%.

The constant increase of the Parent Bank's stock of loans compared to last year and the year before testifies to the Bank's capacity and willingness to be an important reference point in support of the development of the economy and of the demand for credit in the private sector. Cassa di Risparmio di Bolzano continues with determination its growth path in the disbursement of medium/long-term loans to undertakings and households. In the subsidiary CiviBank, loans still contracted slightly compared to the end of 2024, showing encouraging signs of recovery. Nevertheless, support for the local economy remains important and rooted.

New mortgage disbursements during the year amounted to EUR 1,941 million, of which EUR 1,446 million are allocated to businesses and EUR 494 million are for households.

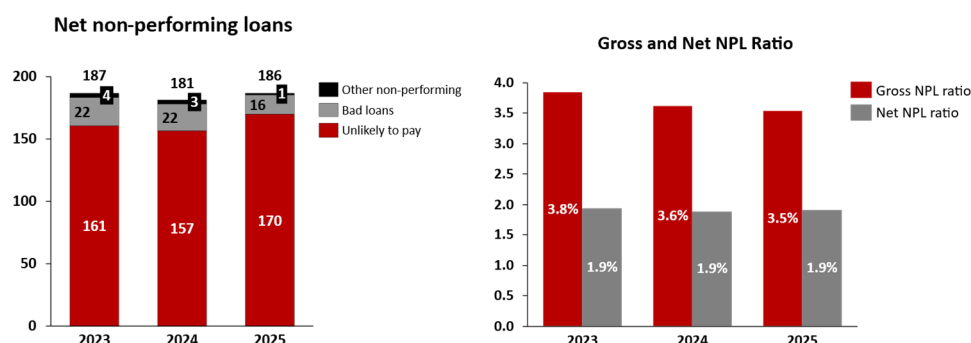


The trend in the various sectors shows a decrease of EUR -75 million in the technical form of current account loans and EUR -47 million in the other technical forms. Reductions more than offset by the increase in loans of EUR 259 million.

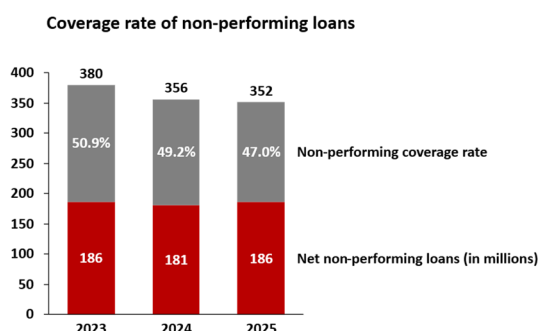
With reference to the degree of intermediation, or the ratio between loans to customers and customer funding, the index stands at 81.7% (2024 figure equal to 80.5%).

Non-performing Loans

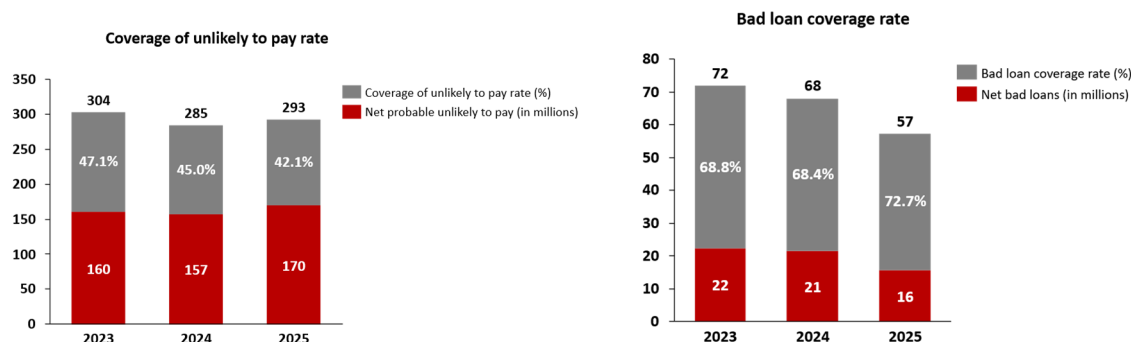
The Group's net non-performing loans to customers for financing measured at amortised cost amounted to EUR 186.3 million (gross carrying amount of non-performing loans equal to EUR 351.6 million against which adjustments of EUR 165.2 million were allocated) with the indicator measuring the riskiness of the loan portfolio (gross NPL ratio) that reached a gross level of 3.5%, which corresponds to a value of 1.9%, net of allocations (net NPL ratio).



Thanks to the careful management policy on non-performing loans and the consequent write-downs/write-backs made, non-performing loans remain close to the previous year-end values; confirming the excellent credit quality, as measured by the gross and net NPL ratios, the value achieved expresses levels of absolute satisfaction, also in comparing the figure at banking system level.

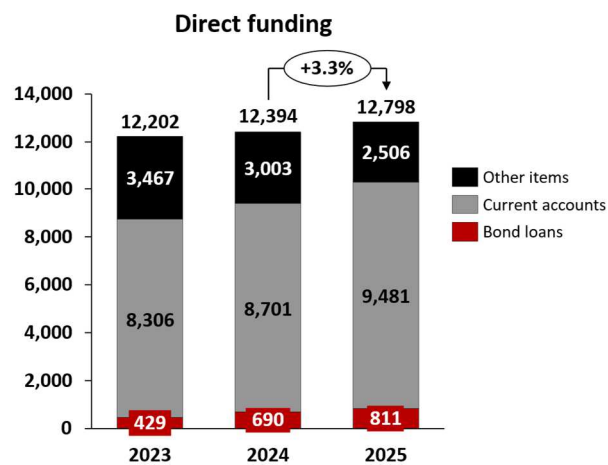


The levels of coverage of non-performing loans stood at 47.0% at the end of 2025. The lower level of coverage, compared to the values determined as the total of the two banks (49.4%), is attributable to the effects of the purchase price allocation of the acquisition of CiviBank, for which the impaired loans were recorded at their fair value as at the acquisition date, thus without considering the adjustment provisions.



Direct Funding

Total Group direct funding amounted to EUR 12.8 billion, up slightly with respect to the previous financial year's figure.



Direct funding stood at EUR 12.798 billion (+4.7% excluding MTS repo transactions), reporting stable growth and continued trust on the part of customers.

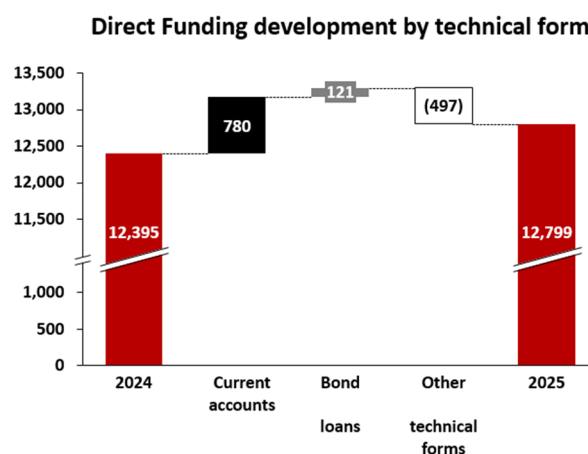
The medium/long-term repurchase transactions, carried out with underlying bonds issued by the Parent Bank, which according to the regulatory provisions of Bank of Italy's Circular 285, must be reported and accounted for as securities placements under the heading "Securities issued" rather than as due to customers, are in line with the previous year-end figure and amounted to EUR 612.2 million.

The item bonds issued increased by about EUR 121 million, mainly against an issue of green bonds by the Parent Bank for a nominal value of EUR 100 million, placed with institutional investors.

Regarding the evolution of direct funding, the increased trust that customers place in the Group is confirmed, placing it among the banks that have most successfully developed a strong relationship with their customers. As a result of the trend in interest rates, which fell after the growth of the last two years, direct funding saw the demand component again grow (EUR +780 million) compared to the restricted component (EUR -497 million).

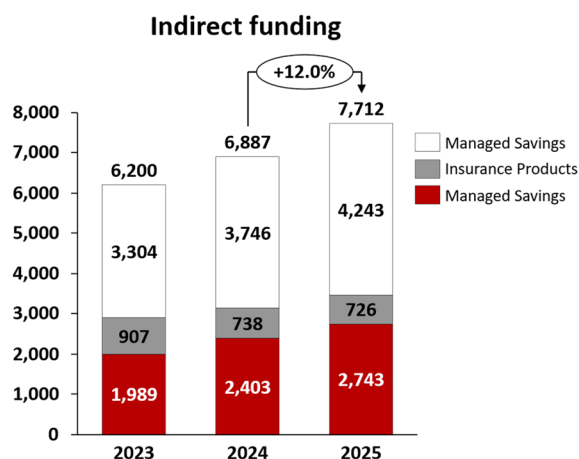
The majority of the funding structure relates to due to customers for current account deposits of EUR 9,481 million to customers, while the bonds issued by the Bank grew to EUR 811 million, due to the reasons described above. The residual part of the other items amounted to EUR 2,506 million.

In 2025, based on the rules of IFRS 16, financial payables relating to rental/lease agreements were also recognised for EUR 24.6 million.



Indirect Funding

Group indirect funding amounted to EUR 7,711.6 million.



Assets under management and assets under custody recorded significant growth, of 12.4% and 17.4%, respectively, while insurance recorded a reduction of -1.8%, as it was still affected by redemptions requested by customers on former Eurovita policies, but showed early signs of recovery, especially after repositioning the residual former Eurovita policies with the company Allianz.

Shareholders' Equity

Consolidated shareholders' equity, due to both the positive effect of the 2025 result and the change in revenue reserves, amounted to EUR 1,285.1 million.

In the same period, "Consolidated own funds" increased from EUR 1,190.6 million to EUR 1,228.0 million.

Against risk-weighted assets of EUR 6.7 billion, thanks to the optimisation of RWAs implemented by the Group to contain capital absorption, introduction of the AIRB parameters for measuring credit risk and the new regulatory changes introduced with the CRR3 updates, the capital ratios stood at:

- Common Equity Tier 1 capital ratio: 16.64%
- Tier 1 capital ratio: 17.37%
- Total capital ratio: 18.22%

recording values abundantly above the minimum requirements.

4 The governance System

4.1 Corporate Governance Report and the Organisational and Governance, Management and Control System

The share Capital of the Parent Bank is broken down as follows:

- 63.05% is owned by Fondazione Cassa di Risparmio (controlling shareholder);
- 36.54% is owned by companies and small shareholders (over 24,000), mainly private customers and employees;
- the remaining percentage, i.e., 0.45%, consists of treasury shares held by the Parent Bank.

The Parent Bank's share capital structure consists of ordinary shares. On 21 December 2015, the subscribers were assigned no. 452 Additional Tier 1 subordinated bonds convertible into a maximum of no. 10,044,344 ordinary shares. On 24 June 2025, the Board of Directors assessed the voluntary conversion of 5 Additional Tier 1 convertible subordinated bonds. This led to a change in the share capital and number of ordinary shares issued.

As of 31 December 2025, the share capital of Cassa di Risparmio amounted to EUR 469,644,100.10, divided into 59,980,038 ordinary shares with no nominal amount. The shares are registered and indivisible, dematerialised and entered into a centralised management system authorised and operating in Italy in accordance with current legislation.

The shares are listed on the "Vorvel Equity Auction" segment of the multilateral trading system managed by Vorvel SIM S.p.A.

Also for the year 2025, the Shareholders' Meeting, held on 15 April 2025, authorised, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, the purchase of treasury shares by the Bank for a period of 12 months, establishing the methods (maximum number of shares to be purchased as well as the minimum and maximum consideration) and arranging for the establishment of a specific Fund ("Provision for existing treasury shares") with the aim of facilitating the regular trading of its own shares, using the liquidity provided by the "Provision for existing treasury shares", in compliance with current market abuse regulations and the forecasts of the trading venue's regulations. In December 2025, the Bank awarded a new mandate on an exclusive basis to Equita SIM S.p.A. to carry out the activity of supporting the liquidity of the shares drawn on the "Vorvel Equity Auction" segment of the multilateral trading system managed by Vorvel SIM SpA. The new mandate replaces the contract concluded in December 2024.

During 2025, Equita SIM S.p.A. stepped in to support liquidity by purchasing 161,447 shares of Cassa di Risparmio di Bolzano S.p.A.

Each share gives the right to one (1) vote in the Shareholders' Meeting, except in the case of treasury shares held whose voting rights are suspended. The right to vote is not limited. Some of the shareholders have entered into a voting syndicate agreement, resulting in the formation of the *Sindacato di voto Piccoli Azionisti Cassa di Risparmio e Sette Api* (Voting Syndicate of Small Shareholders of Cassa di Risparmio and Sette Api).

The legal and supervisory provisions, in particular on corporate governance, establish that the internal control system (*set of rules, functions, structures, resources, processes and procedures*) is a fundamental element of the overall system of governance of banks, which must guarantee, in particular, the achievement of strategic objectives and corporate policies, the containment of risks, the effectiveness and efficiency of business processes, the reliability and security of company information and IT procedures, compliance of transactions with the law and supervisory regulations, as well as with internal policies, regulations and procedures, in addition to the prevention of the risk of the bank being involved in any unlawful activities.

Taking into account the aforementioned objectives, the Bank, also in its capacity as Parent Bank of the "Cassa di Risparmio di Bolzano" Banking Group, has defined an **organisational model** for the Group as a whole and for the individual components of the Group, aimed at enabling the continuous implementation of the applicable legal and supervisory provisions. The Bank has set up an **internal control system and risk management** aimed at identifying, measuring, managing and monitoring the risks of the Bank and the Group on a continuous basis, which envisages the involvement the Corporate Bodies, the company's control functions as well as the Supervisory Body set up pursuant to Legislative Decree no. 231/2001, whose functions have been assigned to the Board of Statutory Auditors; the company appointed to perform the statutory audit of the accounts also participates in the control system.

At consolidated level, in order to allow an effective internal control and risk management system, the Board of Statutory Auditors of the Parent Bank, which was entrusted with Supervisory Body responsibilities pursuant to Legislative Decree 231/2001, is also called upon to perform the same function in favour of Sparim S.p.A. and Sparkasse Haus (the latter, already in liquidation, was formally closed and deleted from the business register on 9 December 2025). Likewise, the Board of Statutory Auditors of CiviBank also performs the function of

Supervisory Body. On the contrary, Raetia SGR S.p.A. in liquidation has set up a special Supervisory Body. Also at Group level, the company appointed to audit the accounts contributes to the control system.

In this logic, the overall activities that the Group and its members are required to carry out to achieve their management objectives in compliance with legal and supervisory provisions and, therefore, with a view to sound and prudent management, are broken down into “areas”, which group together sets of “processes”.

Each process is divided into “phases” and each phase into “sub-phases” to be put in place for carrying out the phase itself. Therefore, for each sub-phase, the obligations to be respected (summary of the relevant provisions) and the main “actions” to be implemented for the actual application of the obligations are regulated. This makes it possible to identify, for each relevant offence, for each legal and supervisory provision in force or issued from time to time, the specific responsibilities applicable to the various organisational units of the Group and its components and to refer them to the relevant processes.

The taxonomy of processes was also updated in 2025 to take into account organisational needs and the evolution of the external regulatory context.

In this construction, the company organisational system is divided into three taxonomy levels:

Level 0: divided into 3 Areas;

Level 1: divided into 10 Sectors;

Level 2: comprises 72 Processes;

and the Regulations of Management Bodies and Committees, the General Company Regulations, the Policy of Management and Coordination Activities of the Parent Bank on Subsidiaries as well as the Corporate Governance Project Group Regulation.

The corporate organisational system governs the processes that define the organisational model adopted, the role of the Corporate bodies, the delegated powers structure, the management information flows and the role of the Bank’s members, the operational/management and risk governance and management processes, as well as the control processes set forth in the supervisory provisions.

The “Management and Coordination Activities of the Parent Bank on Subsidiaries” Policy also governs the Group’s controls, i.e. the criteria to be adopted and the activities to be carried out by Sparkasse in order to perform the controls required by the supervisory provisions on the internal control system as well as by the operational and management requirements of the members of the Group and the Group as a whole.

The “Corporate Governance Project” Group Regulation, in compliance with current legislation, also illustrates the statutory and internal organisation structures of Sparkasse and the related Group, at the same time representing a communication tool with its shareholders, investors and the market, aimed at providing detailed information on the corporate governance mechanisms that govern its operation.

The Parent Bank therefore further consolidated the strengthening of its Group document management system, with the aim of ensuring effective governance of the Group’s companies, and in particular of the subsidiary Banca di Cividale S.p.A. – Società Benefit (hereinafter referred to as “CiviBank”). The Group’s regulatory framework ensures the regular and profitable performance of company operations and the sharing of principles and guidelines to favour the alignment of all corporate functions.

In addition, Sparkasse, with the publication of the so-called Group Regulation (the aforementioned “Management and Coordination Activities of the Parent Bank on Subsidiaries” Policy) outlined the reference regulatory and governance framework for the Group aimed at ensuring the correct and regular functioning, characterised by the common entrepreneurial design, strong internal cohesion and for the unitary management, in line with the regulatory indications and with the requirements of sound and prudent management of the Group itself.

In line with Supervisory Provisions, Sparkasse, within the framework of Group management and coordination activities, exercises:

- strategic control over the development of the various areas of activity in which the group operates and the risks incumbent on the activities carried out;
- management control aimed at ensuring the maintenance of the conditions of economic, financial and equity balance both of the individual companies and of the group as a whole;
- technical-operational control aimed at the assessment (by second-level control functions) of the various risk profiles brought to the Group by individual subsidiaries and the Group's overall risks.

With reference to the role of Subsidiaries, these must transmit to the Parent Bank - with adequate advance notice and compulsorily in the prescribed cases - appropriate information on matters of particular strategic and/or managerial importance, and also contribute to achieving the Group's targets by adhering to the Group management and coordination model envisaged.

4.2 System for the Measurement/Assessment of Risks and the Self-Assessment of Capital Adequacy and Liquidity

As part of its management and coordination activities, the Parent Bank has equipped the Group as a whole and in its individual components with an Internal Capital Adequacy Assessment Process - ICAAP and an Internal Liquidity Adequacy Assessment Process - ILAAP.

The ICAAP and ILAAP must be coordinated, responsive and consistent with the Risk Appetite Framework (RAF). The Supervisory Body is responsible for supervising the conditions of stability, efficiency, sound and prudent management of the banks and for verifying the reliability and consistency of the results of their internal assessments ("Supervisory Review and Evaluation Process" - SREP), in order to adopt, if the situation requires it, the appropriate corrective measures.

Respectively, the ICAAP and ILAAP processes are based on suitable corporate risk management systems and require adequate corporate governance measures, an organisational structure with well-defined lines of responsibility and effective internal control systems.

The responsibility for the processes lies with the Corporate Bodies, which define their structure and organisation in full autonomy according to their respective competencies and prerogatives. They oversee the implementation and promote the updating of the ICAAP and ILAAP processes, in order to ensure their continuous compliance with the operational characteristics and the strategic context in which the Banking Group operates.

The results of the ICAAP and ILAAP processes are summarised in the related ICAAP-ILAAP Report, which represents the point of convergence and synthesis of the capital, economic and financial planning of risk management, capital management and liquidity management and which, on the other hand, constitutes an important tool to support the strategic development and implementation of Group decisions.

The ICAAP process is divided into the following phases:

- identification of the risks to be assessed through the definition of the risk map;
- measurement/assessment of individual risks and related internal capital;
- measurement of total internal capital;
- determination of internal capital and reconciliation with regulatory capital;
- self-assessment of capital adequacy;
- self-assessment of the ICAAP process;
- preparation and approval of the ICAAP - ILAAP Report.

The ILAAP process is divided into the following phases:

- definition of the ILAAP;
- liquidity risk assessment;
- self-assessment of the liquidity risk governance and management system;
- self-assessment of liquidity adequacy;
- audits carried out on the ILAAP process;
- preparation and approval of the ICAAP - ILAAP Report.

For further details on qualitative and quantitative information on risks, as well as on management, measurement and control systems, please refer to the "Notes to the Financial Statements - Part E - Information on risks and related hedging policies".

4.3 Disclosure on Internal Policies Adopted with Regard to Controls on Risk Activities and Conflicts of Interest with Respect to Associated Parties

In compliance with the prudential supervisory provisions of the Bank of Italy on associated parties and the Consob Regulation on related party transactions (Circular no. 285 of 17 December 2013, Part III, Chap. 11, 33rd update, risk activities and conflicts of interest with regard to associated parties and Consob resolution no. 17221 of 12/03/2010 and subsequent updates), the Parent Bank adopted the Regulation "Associated parties", which governs the criteria to be followed and the activities to be carried out for the management of risk and conflict of interest with respect to associated parties. In particular, the decision-making procedures for transactions with associated parties are governed (these include identification of transactions, adoption of procedures for the management of transactions, resolution of minor and major significance, transactions falling within the competence of the Shareholders' Meeting, exemptions and derogations for certain categories of transactions).

CiviBank has implemented the same Regulation integrating it to its organisational system.

Therefore, on the basis of the corporate organisational system, the management of risks concerning transactions with associated parties is carried out through a number of connected processes representing the relative organisational controls. In summary:

- a) in the Regulations of the Board of Directors, the Board of Statutory Auditors and the Chief Executive Officer and General Manager, who govern the role of the related corporate body and therefore also in relation to the "associated parties" process;
- b) in the "Associated parties" Group Regulation, which governs the criteria to be followed and the activities to be carried out for the management of risk and conflict of interest with respect to associated parties;
- c) in the Risk Management Regulations, which govern the profiles of the related risks (broken down into the phases of identification, measurement, monitoring, prevention/mitigation as well as reporting and communication);
- d) in the General Company Regulation, which govern the roles and responsibilities of the organisational units responsible for the "Associated parties" process, in compliance with the principle of clear distinction between operating units and control units;
- e) in the "Management and Coordination Activities of the Parent Bank on Subsidiaries" Policy, which governs the criteria to be adopted and the activities to be carried out for the coordination and management of both the Group's members and the investees, also with reference to transactions with associated parties;

- f) in the Operating Regulation relating to associated parties, which governs the steps to be taken in dealing with associated parties and specifies the operating procedures to be adopted for the management of transactions with associated parties;
- g) in the Organisation Regulation, within which the criteria to be adopted and the activities to be carried out in order to reach the assignment by the Board of Directors/Chief Executive Officer of the power delegation in the various business matters are governed;
- h) in the "Information Flows" Policy, which governs the reports to be sent to the Board of Directors and the Board of Statutory Auditors, including those on associated parties;
- i) in the respective regulations for the different types of control (line control, compliance control, risk management control, Internal Audit activities, Group controls), which govern the criteria to be adopted and the various activities to be carried out. In summary:
 - the organisational units responsible for the aforementioned processes indicate the activities carried out in the processes with respect to the planned ones (first-level controls) and forward these indications to the Compliance function and the Internal Audit function;
 - the Compliance function carries out its controls (second-level controls) in accordance with the Group Regulation "Process for controlling non-compliance risk" and in the Policy "Compliance model and assessment of the risk of non-compliance". In particular, the Compliance function verifies the consistency of the regulations of the aforementioned processes with the supervisory provisions on associated parties (so-called regulatory or ex ante compliance); on the basis of the indications of the activities carried out in the processes, provided by the responsible units, it determines the deviation between the activities carried out and the activities provided for by the Supervisory Provisions and, on the basis of the aforementioned deviation, it formulates an organisational risk assessment of the operational compliance of the aforementioned processes (so-called operational compliance). The results of the controls are forwarded to the Corporate Bodies, to the Internal Audit function and to the Risk Management function, together with proposals for action to be taken to remove any shortcomings that may have emerged;
 - the Risk Management function carries out its controls (second-level controls) in accordance with the provisions of the Group Regulation of the "Risk Management Framework". In particular, the function measures the risks and proposes the limits in line with the strategies and submits for approval the same limits to the competent bodies. The results of the controls are transmitted to the Corporate Bodies, the Compliance function and the Internal Audit function;
 - the Internal Audit function carries out its controls (third-level controls) according to the Group Regulation "Internal Control System Assessment" (Internal Audit). In particular, the function verifies compliance with internal policies on associated parties and the adequacy of the first- and second-level controls carried out on the aforementioned processes. In addition, the Internal Audit function periodically reports to the Corporate Bodies on the overall exposure to risks deriving from transactions with associated parties and other conflicts of interest and, if necessary, suggests revisions of internal policies and of the organisational and control structures deemed suitable to strengthen the monitoring of these risks.
 - the aforementioned functions also carry out the controls described above on the other components of the Group according to the "Management and Coordination Activities of the Parent Bank on Subsidiaries" Policy.

In conclusion, the management of the risk of conflicts of interest with regard to associated parties is governed by the set of processes referred to above and by the IT procedures used to support the activities, by the "Associated Parties" Regulation and the relevant detailed operational provisions.

4.4 Administrative Liability (Italian Legislative Decree No. 231 of 8 June 2001)

With reference to the administrative liability of companies, Cassa di Risparmio di Bolzano has made available on its website www.sparkasse.it the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, the Code of Ethics, in particular for parties outside the Bank's organisation who, limited to the provision of goods or services governed by independent and separate contracts, are required to comply with the provisions contained therein.

The Supervisory Body, established pursuant to Legislative Decree 231/2001 and whose powers have been transferred to the Board of Statutory Auditors, has constantly checked the adequacy of the Model, also in connection with the introduction of new regulations during the year, reporting on its activities to the Board of Directors.

Likewise, CiviBank has made available on its website www.CiviBank.it the Organisation, Management and Control Model compliant with Italian Legislative Decree 231/2001 as well as its Code of Ethics.

4.5 Intra-group Transactions and Transactions with Associated Parties

As required by Article 4 of Consob Regulation no. 17221 (as amended) and the Supervisory Provisions for banks (Circular 285 of 17 December 2013, Part III, Chapter 11), Sparkasse has prepared and published the "Associated Parties" Group Regulation on its website www.sparkasse.it.

With reference to CiviBank, the same Regulation is available on the website www.CiviBank.it.

Intra-group transactions and transactions with associated parties were carried out on the basis of assessments of mutual economic convenience and, in any case, at conditions consistent with market conditions.

For more details, please refer to Part H of the Financial Statements.

4.6 Privacy, Security and Environment

As required by the applicable legislation, by the provisions of the "Regulation (EU) 2016/679" (General Data Protection Regulation, known as "GDPR") and by the provisions of the Prudential supervision for banks, also in 2025 the necessary activities were carried out to analyse the effectiveness of and alignment with the security measures put in place to protect data and minimise risks, also in compliance with the provisions set out in **Regulation (EU) 2022/2554 - Digital Resilience Act (DORA)**, with particular reference to the reinforcement of ICT security measures, risk management processes and operational resilience.

Referring to the specific section of this Report on sustainability, it should be noted that the Parent Bank, which is duly committed to safety at the workplace and environmental issues, to separate waste collection, to the progressive adoption of equipment and lighting systems with low energy consumption as well as to working processes that reduce consumption and emissions, has nothing to report in relation to any damage caused to the environment, nor to any sanctions or penalties imposed for environmental crimes or damage.

5 Capital and Liquidity

5.1 Consolidated Own Funds and Capital Ratios

On 1 January 2014, the new harmonised regulations for banks and investment undertakings contained in Regulation (EU) no. 575 (CRR - Capital Requirements Regulation) of 26.06.2013 and in Directive (EU) no. 36 (CRD IV - Capital Requirements Directive) of 26.06.2013 which transpose in the European Union the standards defined by the Basel Committee for banking supervision (known as Basel 3) entered into force.

As part of a complex process of reviewing the supervisory regulations of banks, the Bank of Italy issued Circular no. 285 "Supervisory provisions for banks" of 17 December 2013, which almost entirely replaces Circular no. 263/2006, and with which:

- the national options set out in the CRR were exercised,
- the secondary technical provisions of CRD IV were transposed.

On the same date, the Bank of Italy also issued Circular no. 286 "Instructions for the compilation of prudential reports for banks and real estate brokerage companies" which replaces Circular no. 155/1991 and defines the reporting formats:

- of "harmonised" prudential supervisory reports in compliance with the relevant EBA technical standards: own funds, credit and counterparty risk, market risk, operational risk, large exposures, recognition of mortgage losses, overall capital position, liquidity monitoring and financial leverage;
- of "non-harmonised" prudential supervisory reports: related parties.

On 7 October 2016, the 18th update of the "supervisory provisions for banks" pursuant to Circular no. 285 of 17 December 2013 was published on the official website of the Bank of Italy itself.

The above-mentioned update concerned the amendment of the capital conservation buffer (CCB) requirement set forth in Part One, Title II, Chapter I, Section II of the Circular in question in order to transpose the provisions contained in the EU Directive no. 36/2013 (CRD IV) as well as to reduce the divergences between national regulations, in line with the action initiated by the Single Supervisory Mechanism (SSM) to minimize the differences in the prudential regulations applicable to banks.

This regulatory measure requires banks, at both individual and consolidated level, to apply a minimum capital buffer ratio of:

- 1.25% from 1 January 2017 to 31 December 2017;
- 1.875% from 1 January 2018 to 31 December 2018;
- 2.5% as from 1 January 2019.

This update entered into force on 1 January 2017.

The minimum capital ratios to be complied with for 2025, pursuant to Article 92 CRR, are therefore the following:

- Common Equity Tier 1 capital ratio (CET1 ratio) of 4.5% + 2.5% of the Capital Conservation Buffer (CCB)
- Tier 1 capital ratio of 6.0% + 2.5% of CCB
- Total capital ratio of 8% + 2.5% of CCB.

BREAKDOWN OF OWN FUNDS		Total 31/12/2025	Total 31.12.2024
A.	Common Equity Tier 1 (CET1) capital before the application of prudential filters of which CET1 instruments subject to transitional provisions	1,159,377	1,125,462
B.	Prudential filters of CET1 (+/-)	(786)	(458)
C.	CET1 gross of the elements to be deducted and the effects of the transitional regime (A+/-B)	1,158,591	1,125,005
D.	Elements to be deducted off CET1	(36,952)	(35,796)
E.	Transitional regime – Impact on CET1 (+/-)		3,935
F.	Total Common Equity Tier 1 (CET1) capital (C - D +/- E)	1,121,640	1,093,144
G.	Additional Tier 1 capital (AT1) gross of the elements to be deducted and the effects of the transitional regime of which AT1 instruments subject to transitional provisions	49,586	50,343
H.	Elements to be deducted off AT1		
I.	Transitional regime – Impact on AT1 (+/-)		
L.	Total Additional Tier1 (AT1) capital (G - H +/- I)	49,586	50,343
M.	Tier 2 capital (T2) gross of the elements to be deducted and the effects of the transitional regime of which T2 instruments subject to transitional provisions	46,771	47,153
N.	IRB entities – excess of value adjustments with respect to expected losses	10,020	
O.	Elements to be deducted off T2		
P.	Transitional regime – Impact on T2 (+/-)		
Q.	Total Tier 2 (T2) capital (M + N - O +/- P)	56,791	47,153
R.	Total Own Funds (F + L + Q)	1,228,017	1,190,640

The capital ratios are at the levels indicated in the following table:

Common Equity Tier 1 capital/Risk-weighted assets (CET1 capital ratio)	16.64%
Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio)	17.37%
Total own funds/Risk-weighted assets (Total capital ratio)	18.22%

As a result of the entry into force of IFRS 9, a revision of the prudential rules (CRD/CRR) for the calculation of capital absorption was also envisaged. In this regard, Regulation (EU) 2017/2395 published on 27 December 2017 envisages, as an option, the possibility for financial institutions to adopt a transitional regime where they can reinstate to CET1 the adjustments resulting from the adoption of the impairment model of the new standard, with a “phase-in” mechanism over a period of 5 years starting from 2018; the Bank has adopted the transitional regime (static approach) to measure the impacts of the new standard on regulatory capital. The option for the transitional regime sets forth that the higher allocations deriving from the first application of the standard, net of the tax effect, are excluded from the calculation of prudential requirements, according to a decreasing weighting factor (95% in 2018, 85% in 2019, 70% in 2020, 50% in 2021 and 25% in 2022). It should be noted that in the year 2023 the transitional period referred to above expired.

It should also be noted that the Cassa di Risparmio di Bolzano Group, on 10 December 2020, forwarded a specific request to the Bank of Italy aimed at obtaining authorisation for the full application of the transitional provisions on IFRS 9 provided for in Article 473-bis of Regulation (EU) 575/2013 (CRR), as amended by Regulation (EU) 873/2020

of 24 June 2020. Specifically, the authorisation concerns the application of the transitional regime on expected credit losses calculated in accordance with IFRS 9.

By means of a provision of 23 December 2020, the Bank of Italy authorised the Cassa di Risparmio di Bolzano Group to fully apply the above provisions on a separate and consolidated basis.

With reference to 31 December 2025, no transitional regimes are applied anymore.

On 29 January 2025, the Cassa di Risparmio di Bolzano Group communicated to have received from the Bank of Italy, at the conclusion of the annual Supervisory Review and Evaluation Process (SREP) conducted during 2024, the notification of the decision on the prudential requirements to be met on a consolidated basis.

With letter of 19.11.2024, the Supervisory Authority had announced the initiation of the ex-officio procedure relating to the imposition of capital requirements in addition to the minimum capital ratios envisaged by the regulations in force in relation to risk exposure.

The communication received on 29.01.2025 confirmed the quantitative requirements, the qualitative requirements and the recommendations formulated by the Supervisory Authority in the letter of 19 November 2024.

In particular, the Cassa di Risparmio di Bolzano Group will be required to continuously comply with the following capital requirements at consolidated level, without prejudice to compliance with the minimum capital requirement set forth in Article 92 of Regulation (EU) no. 575/2013:

- Common Equity Tier 1 capital ratio (CET 1 ratio) of **7.70%**, consisting of a binding measure of 5.20% (of which 4.50% against the minimum regulatory requirements and 0.70% against the additional requirements determined as a result of the SREP) and for the remainder of the capital conservation buffer;
- Tier 1 capital ratio (Tier 1 ratio) of **9.50%**, consisting of a binding measure of 7.00% (of which 6.00% against minimum regulatory requirements and 1.00% against the additional requirements determined as a result of the SREP) and for the remainder of the capital conservation buffer;
- Total capital ratio of **11.80%**, consisting of a binding measure of 9.30% (of which 8.00% against the minimum regulatory requirements and 1.30% against the additional requirements determined as a result of the SREP) and for the remainder of the capital conservation buffer.

Sparkasse is also required to comply with the systemic risk buffer requirement; this buffer, set at 1% of risk-weighted exposures to credit and counterparty risk towards Italian residents, is to be built up gradually. As outlined in the press release issued by the Bank of Italy, the requirement entails establishing a reserve equal to 0.5% of relevant exposures by 31 December 2024, with the remaining 0.5% to be constituted by 30 June 2025.

It should be noted that on 24 June 2025, the Bank of Italy notified the Parent Bank of the removal of the conditions precedent to the effectiveness of the measures of 24 May 2023 authorising the use of the internal credit risk measurement system "A-IRB". Consequently, with effect from the figures relating to 30 June 2025, the Parent Bank is authorised to measure credit risk using a consortium AIRB model.

5.2 Shares of the Parent Bank Cassa di Risparmio

In this regard, please refer to the Management Report of the Parent Bank's financial statements.

5.3 Liquidity

As part of the Basel III framework, the Supervisory Authorities have introduced liquidity requirements that require banks to maintain a minimum level of liquidity to deal with stress situations and ensure a balanced relationship between stable funding sources and loans. For short-term liquidity, the "Liquidity Coverage Ratio" (LCR) indicator was introduced with the objective of establishing a liquidity buffer that allows the Parent Bank to survive for a period of 30 days in the case of severe stress. In 2025, this indicator for the Group was always well above the minimum binding requirement (equal to 100%). In terms of structural liquidity, the Basel III agreements set forth the

"Net Stable Funding Ratio" (NSFR), with a time horizon of more than one year, to ensure that assets and liabilities have a sustainable maturity structure. With Regulation (EU) no. 2019/876 (CRR2), the NSFR regulatory requirement was introduced which provides for the mandatory compliance with the minimum threshold of 100%. In 2024, the NSFR indicator was well above the minimum binding requirement.

The Board of Directors has defined, within the Risk Appetite Framework, as risk objectives for liquidity in addition to the LCR and NSFR indicators, also the degree of intermediation (ratio between loans to customers and customer funding) and the Asset Encumbrance Ratio.

Data at 31/12/2025	LCR	NSFR	Degree of intermediation	Asset Encumbrance Ratio
Parent Bank	187.06%	125.88%	78.97%	15.24%
Cassa di Risparmio di Bolzano Group	191.24%	125.50%	n/a	17.87%

Liquidity Management

In 2025, the Parent Bank maintained a liquidity position that was considerably higher than the regulatory limits. In addition to the deposits of private and corporate customers, which represent the most important part of its direct funding, the Parent Bank also draws on additional liquidity supply channels, among the most important of which is the funding with the European Central Bank and the OTC Repo with market counterparts. As at 31 December 2025 the Parent Bank has an outstanding exposure of EUR 275 million towards the European Central Bank (ECB) and an overall amount of EUR 774 million with different banking counterparts under the form of Repos. At the end of 2025, the subsidiary Bank had EUR 275 million and EUR 106 million for the same types of funding, respectively.

Sparkasse, in addition to the historical online presence of its Munich branch ("Südspa"), has been active also on the weltsparen.de platform, operated by the fintech company Raisin GmbH, and offers continuously updated interest rates for sight deposits, sight deposits with a 34-day notice period, deposits with short maturities of 6, 12, 18 and 24 months, and deposits with long maturities between 3 and 10 years. The volume collected so far has been satisfactory.

To achieve the Parent Bank's 2025 target, i.e. to achieve a comforting level of the "Liquidity Coverage Ratio (LCR)" and "Net Stable Funding Ratio (NSFR)" liquidity ratios, consistent with the provisions of the 2024-2026 Business Plan as well as the 2025 Funding Policy (updated in March 2025), the Parent Bank issued a fixed rate "MREL-eligible" bond in July in compliance with the ESG framework with a nominal value of EUR 100 million, 6-year duration with the option of early repayment by the Bank at the end of the fifth year.

In the course of the year, in order to align with the ECB Directives providing for a divestment of the ABACO channel in the fourth quarter of 2025 (deadline postponed to the first quarter of 2026), both Group Banks increased their lending to the ABACO PMI channel.

The Group Banks regularly and consistently took advantage of the opportunity to generate a positive interest margin by entering into financing transactions on the very short and short-term repo market and deposited this liquidity with the European Central Bank ("deposit facility") for the duration of one day at a rate higher than the financing rate.

The Subsidiary Bank structured a securitisation with underlying residential loans with a Consap guarantee. This securitisation was divided into a senior A1 tranche of EUR 80 million, a senior A2 tranche of EUR 60 million (held by CiviBank itself) and a junior tranche of EUR 63 million.

In conclusion, it should be noted that the extension of the OBG programme to CiviBank is also relevant because the Covered Bonds represent a particularly important instrument in the institutional funding strategy, as they allow,

also thanks to their creditworthiness, to obtain advantageous terms in medium-term collateralised funding transactions.

From the participation of CiviBank in the CB Program, the need to enter into intra-group financing transactions also arises, in order to distribute the economic benefit produced by the CB Programme pro rata between the two banks of the Group.

6 Information by Business Areas

6.1 Territorial Network

SPARKASSE

RETAIL BANKING BUSINESS UNIT

In 2025, the Bank continued to implement the 2024-2026 Business Plan, with a strong focus on strengthening customer consultancy and the professional growth of employees through advanced training activities and specialist support in the field of Wealth & Protection.

At the same time, the logistics renewal of the subsidiaries continued according to the concept of *"look ahead"*, aimed at placing the customer at the centre through more modern and functional spaces for both consulting and cash transactions.

During the year, the following subsidiaries were restructured:

- **Termeno**
- **Renon**
- **Postal**
- **Trento Headquarters**

In addition, a housing consultant (Wohnbauberater) was placed within the Retail structure, with the aim of offering to South Tyrolean customers a consultancy service dedicated to the subject of housing, which became necessary after the almost complete suspension of these activities by the Autonomous Province of Bolzano as well as being prepared for the new legislation that came into force from 06/2025,

The first information meetings on the topic of the "Wohnbau" were also organised in the autumn/winter period, which recorded a wide participation of both customers and potential customers. During these events, the main changes introduced by the new legislation were illustrated, offering customers an updated and clear view of the new measures. To complete the communication activities, several articles on the WIKU/ Dolomiten were also published, with the aim of explaining to readers the regulatory changes and opportunities related to housing.

VIRTUAL CONSULTANCY BUSINESS UNIT

During 2025, the preparation of the infrastructure and the selection of qualified personnel was completed for the start-up of the CiviBank Meet service, which is expected to be launched from January 2026.

In line with what the Parent Bank has already achieved for Sparkasse Meet, CiviBank is also planning to establish a digital branch. This new structure will support and manage relations with prospective digital customers who prefer to use the digital branch as an alternative to traditional physical branches.

CiviBank Meet will be managed within the responsibilities of the Parent Bank's Meet Service, and the sales team members will work interchangeably with both Sparkasse and CiviBank customers, as is already the case with the assistance team.

BUSINESS BANKING BUSINESS UNIT

During 2025, the Italian economy recorded moderate growth, supported by a progressive improvement in the macroeconomic environment, so – despite the persistent geopolitical uncertainty and tensions in international trade – the financial framework was more favourable than in 2024.

Companies continued to operate with prudence, but were able to rely on higher liquidity levels. These funds were mainly intended for targeted investments, debt reduction and working capital support, resulting in a lower use of short-term debt.

The Business Banking structure, traditionally geared to supporting SMEs in the Bank's operational territories, has confirmed its close proximity to customers by proactively offering solutions adapted to the needs arising from the current economic context. Company customers were guaranteed integrated and complete consultancy, able to respond to the various needs in the areas of loans and investments, risk management and protection, as well as international trade.

In 2025, a focus continued on financial instruments with a low capital absorption, which characterised operations for the entire year.

During the year, with the support of the internal structure specialised in the Agribusiness sector, several commercial initiatives were promoted, aimed at offering potentially interested customers a range of products typical of the agricultural sector, including loans supported by ISMEA guarantee and agricultural bills.

The use of factoring also continued to grow, in particular for companies that need to advance receivables without recourse.

Insurance also represented a central area of the consulting activity in 2025. In order to increasingly effectively intercept the insurance coverage needs of Business customers, the project to strengthen the internal structure in collaboration with the partner Net Insurance continued.

Thanks to the consolidated partnership with Autosystem, it was possible to meet the needs of corporate customers through the offer of long-term car rental.

Sustainability agreements were also signed with the main hotel trade associations during the year: ASAT (Association of Hoteliers and Tourism Companies of the Province of Trento) in Trentino, HGV (Hoteliers- und Gastwirteverband) in Alto Adige and Federalberghi Abano Montegrotto in Veneto, which include the organisation of popular and/or training moments, to promote issues related to sustainability and corporate finance and the respective services available in the territory. Therefore, during 2025, the following were organised:

- training and engagement meetings on sustainability issues for local companies, in collaboration with the Competence Centre for Sustainability of the Free University of Bolzano
- a webinar on the coordination of the sustainability consultancy of the Cassa di Risparmio in collaboration with HGV

the conference entitled *"Sustainability and Finance: concrete tools for Trentino accommodation facilities"* with ASAT.

Finally, in order to enhance the role of Business Consultant in an ever-changing economic and social scenario, the workshop *"Italy and the North East: economic perspectives in 2025"* was organised, which featured Mr Giacomo Bracci as speaker.

PRIVATE AND CORPORATE SEGMENT

PRIVATE BANKING FOCUS

The Private Banking business unit includes the management and marketing of banking and financial products/services and credit brokerage aimed primarily at private customers with significant assets; this segment

also includes customers who declare that they own significant assets, even if they are partly held at other institutions, customers who earn a high income or have a high standard of living; last but not least, it also includes companies with high liquidity.

The opportunities for development on the target of Private Banking customers, as described above, are significant in consideration of the fact that the wealth of individuals in the coming years is increasing despite the current geo-political and economic situation.

Clients with significant assets are constantly on the lookout for alternative investment opportunities and, for this reason, Sparkasse Private Banking also offers its clients services other than investment advice, such as succession planning, customised insurance solutions, as well as initiatives in specific sectors such as art, also by organising events in cooperation with external partners.

The updating of savings products continued, expanding the offer with new funds. Collaboration with important world leaders in asset management has intensified, including Blackrock Asset Management, UBS Asset Management, Eurizon Capital, Anima, Fidelity Investments International, Pictet, Pimco, J.P. Morgan AM and Vontobel Asset Management. During 2025, the Bank launched the Asset Management service in order to offer customers increasingly customised solutions. A wide range of investment strategies is offered, from the most dynamic and growth-oriented to the more conservative ones that seek to protect the customers' capital. The manager is Civibank, a company of the Sparkasse Group, which has been operating for over 15 years in the management of individual assets.

The Bank is a member of the Italian Private Banking Association (AIPB), thus also keeping abreast of industry trends as well as future challenges in a complex market where personalisation and sustainability will be increasingly important.

Great attention is also paid to the managerial training of Private Banking consultants, both through internal training programmes and through specific collaborations with leading providers of specialised training in the investment field.

CORPORATE BANKING FOCUS

Corporate Banking is a central area for the Bank, offering companies dedicated services and customised solutions to support their financial needs and capital management.

The year 2025 was marked by a still complex economic and geopolitical context, albeit with signs of stabilisation. The Italian economy recorded moderate growth, around 0.5%, driven by domestic demand and investments linked to the National Recovery and Resilience Plan (PNRR), while net foreign demand had a negative impact.

Inflation fell to levels between 1.7% and 1.9%, supported by the decline in energy raw materials, while the labour market showed solidity.

At international level, geopolitical uncertainties and trade tensions persist, which continue to curb world trade despite the resilience of the global economy.

The Corporate BU has maintained a strong control over the creditworthiness of companies, both customers and potential customers, focusing on companies characterised by stable ownership and proven entrepreneurial skills. The focus was on sectors with recognised growth prospects and companies with financial-economic fundamentals consistent with the 's Loan Policy.

The commercial activity in 2025 was focused on the increase in the number of customers, the growth in funding, which although not stable guarantees a positive income return, and on new disbursements of medium-term loans; furthermore, greater attention was paid to the increase in uses on short-term commercial credit lines, which guarantee an interesting commission return, a better and more stringent risk monitoring and greater stability in the volume of loans.

In addition, particular attention was paid to the development of synergies between the activities of Private Banking in the field of investments and that carried out by Corporate Consultants with corporate companies; in particular, specific commercial actions were activated, aimed at acquiring new natural person customers among the representatives of the ownership of our customer companies, with the aim of offering our investment consulting services, offering the range of products and services made available through the network of Private Banking consultants.

An additional key priority of the commercial activity of the corporate area in 2025 was, as in previous years as well, the offering of specialised services to corporate customers, particularly in the following areas:

- structured corporate finance to support more complex lending requirements;
- international desk to assist internationally-oriented companies and provide optimal solutions;
- subsidised finance, to proactively propose the possibility of access to the available funding tools aligned with company programmes;
- leasing, factoring and long-term rental with proposals structured by in-house service specialists;
- ESG advice, to offer know-how and provide effective answers to the growing demand for sustainability in the various areas of business.

CORPORATE FINANCE FOCUS

The year 2025 was still a very positive year for the Corporate Finance Service, which continued to assist the Sparkasse Group's sales network in structuring medium- to long-term financing and to develop its participation in syndicated transactions on the market. The collaboration with the Civibank sales network was confirmed to be good, both at Corporate and Business level.

The business of organising pool loans with the leading bank role for Sparkasse continues with good volumes, especially concerning customers in South Tyrol, where the Group remains one of the main players on the market.

FOCUS ON SUBSIDISED FINANCE

FINANCIAL SERVICES FOR UNDERTAKINGS

As for subsidised finance, in 2025 the range of services offered to customers expanded further. In particular, the Bank obtained a new EUR 150 million funding Ceiling from the European Investment Bank (EIB), a Memorandum of Understanding was signed with the Autonomous Province of Trento to support SMEs for green investments and an ESG initiative was launched through the establishment of the Social Fund Ceiling. In the area of complementary finance, the in-house leasing instrument came into full operation and the service supporting the sales network and customers in the factoring segment continued.

AGRIBUSINESS

2025 was the first year of full operation of the Agribusiness Service within the Group. In the first months of the year, an intense and significant training activity was carried out aimed at the network, focused on the fundamental principles of agricultural credit and the products included in the bank's catalogue.

In addition, the catalogue was expanded with the inclusion of a series of new products, including the possibility of combining the ISMEA direct guarantee with unsecured loans and agricultural land.

During the entire year, a structured action was launched to support the sales network, with meetings with customers exceeding 500 visits.

FRIE AND SUBSIDISED FUNDS

During 2025, the Friuli-Venezia Giulia (FVG) Development Unit for FRIE and subsidised funds continued to provide advisory support to the Civibank commercial network. This support included the preparation of specific reports assessing the dual aspects, the economic/financial profile and the subsidised/regulatory profile of each case. Currently, the structure includes 3 staff members (including one intern) that report hierarchically to the Corporate FVG area.

During the past year, Civibank alone accounted for 45.6% of all approved subsidised financings at the regional level under the FRIE scheme.

INTERNATIONAL DESK FOCUS

During 2025, the International Desk updated its specialised product catalogue by adapting it to the needs of the specialised Trade Finance market, continued to support the network by participating in customer visits, and more than 500 visits were conducted, with special focus on the Civibank network and new expansion areas of Sparkasse.

Updates also continued on the procedure aimed at protecting the Group from reputational risks and penalties for transactions with Sanited countries. This adjustment allowed us to offer our customers advice on commercial counterparties from a "trade compliance" point of view.

The enlargement of the network of correspondents has also enabled us to increase our market share in trade flows more than proportionally with respect to our loan shares in different markets. The 2026 target will be to reach and exceed these shares in all areas where Sparkasse or Civibank is present with its network.

TREASURY ENTITY FOCUS

In 2025, the Sparkasse Group expanded the number of Treasuries managed, in particular strengthening its presence in South Tyrol and Friuli-Venezia Giulia.

For continuation of the activity, focus will be on the creation and implementation of a dedicated Service, with the aim of monitoring in a structured and strategic way the commercial opportunities that will emerge in the area of Treasuries of public bodies.

The commercial action will therefore be focused on a precise and targeted evaluation of the calls for tenders in the territory of the Group, in order to effectively seize the opportunities for development and further consolidate the position in the sector.

CIVIBANK

The Bank continued its commercial policy of implementing initiatives aimed at achieving the objectives set as part of a direct and transparent relationship with customers.

PRIVATE SEGMENT

RETAIL: CONSUMER LOANS AND PERSONAL AND ASSET PROTECTION PRODUCTS

The Retail Market's lending activities in 2025 confirmed the focus of production mainly on the segment of mortgages to private individuals and consumer credit. Cooperation with credit brokers, an activity started up in previous years, continued with the target of strengthening production volumes and keeping commercial control over market opportunities high, always with attention paid to risk.

At the same time, the branches independently developed a greater number of mortgage transactions, with a growing focus on larger loans and on higher-value customers; this dynamic has contributed to qualitative improvement in production and was accompanied by an increase in the incidence of "green" loans.

In the insurance field, there has been less progress. This activity will be the subject of focus for the network throughout 2026 both in relation to products dedicated to the protection of the person and those related to the protection of assets.

ASSET MANAGEMENT/ PRIVATE BANKING/ WEALTH MANAGEMENT: SAVINGS AND INVESTMENT PRODUCTS

In 2025, the customer contact activities continued, aimed at consolidating the relationship with the new reference consultants appointed following the evolution of the organisational and commercial model launched in 2024.

Training also continued with both business partners and through internal initiatives focused on operational processes and the product range and thanks to the growing knowledge of investment tools and procedures, there was a further improvement in commercial production, continuing the progress already highlighted in the second half of 2024, in particular with regard to managed savings.

However, this performance was affected, in the second half of 2025, by significant disinvestments attributable to dedicated capital management positions. In particular, the new lines available did not meet the expectations of this type of customer as the continuity of the previous operations was not guaranteed, which allowed for a broader decision-making scope and operating flexibility than the current one.

Several events were organised in 2025 dedicated to customers, with the aim of promoting financial knowledge and fostering greater awareness in economic choices. The meetings concerned investment-related topics - with in-depth analyses of markets, financial instruments and diversification principles.

PAYMENT AND DIGITAL SERVICES

The Bank is active in initiatives aimed at innovation and digitalisation of products, services and processes, collaborating with its technological and product partners.

The project to extend the CiviBank Meet specialised remote advisory and support structure was launched, similar to what is in place in the Parent Bank for Sparkasse Meet.

During 2025, the preparation of the infrastructure and the selection of qualified personnel was completed for the start-up of the CiviBank Meet service, which is expected to be launched from January 2026. In line with what the Parent Bank has already achieved for Sparkasse Meet, CiviBank is also planning to establish a digital branch. This new structure will support and manage relations with prospective digital customers who prefer to use the digital branch as an alternative to traditional physical branches.

CiviBank Meet will be managed within the responsibilities of the Parent Bank's Meet Service, and the sales team members will work interchangeably with both Sparkasse and CiviBank customers, as is already the case with the assistance team.

The roll-out of mobile payment services continues, both on the usual national and international circuits, with partner Nexi, through the applications Nexi Pay, Apple Pay, Google Pay, Samsung Pay, Garmin P Ay, etc. Through

the apps, in addition to performing payment transactions, it is possible to maintain full control of card operations and receive notifications on payments made. Over 20% of customers have activated a mobile wallet and are able to make payments without material use of the card, with a clear prevalence of the Apple Pay system, which is extremely popular among IOS mobile phone owners.

During 2025, an important customer awareness activity was also carried out on the topic of computer fraud, a significant growth phenomenon, particularly with reference to attempts to deceive related to the use of instant credit transfers. The Bank promoted a number of information initiatives – through its branches, digital channels and targeted communications – aimed at enhancing customers' attention, disseminating prudent behaviour and promoting a more conscious and secure use of payment instruments.

LOANS AND BUSINESS SERVICES

LOANS

As part of its product portfolio, CiviBank was characterised by the constant use of subsidised instruments made available at supranational, national and regional level; this allowed the Bank's business customers to access credit more easily with advantageous conditions.

To support the investments of business customers (SMEs and large undertakings), particularly in the Friuli area, the Bank continued to use regional revolving funds (FRIE and Development Fund). These instruments have allowed companies to access credit with subsidised rates, also receiving from the Region an additional possibility of a non-repayable contribution.

Again with a view to assist businesses and facilitating their access to credit, in combination with investment transactions or operations or aimed at liquidity requirements, the Bank proposed, where possible, the consolidated instrument of the Central Guarantee Fund and the Agreements with the largest and most important Confidi in the territories in which it operates.

The Bank also supported customers in liquidity and investment transactions with other subsidised instruments: guarantees issued by Sace and Veneto Sviluppo funding.

Finally, also in the agricultural sector, the Bank supported companies in the sector in their requests for liquidity and/or transactions against investments, in particular with the use of the subsidised instruments made available by the Friuli Venezia Giulia region (Rotation Fund L.R. 80 and ISMEA guarantee). The launch of the new service dedicated to Agribusiness has ensured, and will ensure for the future, an important market presence.

In the area of sustainability, loans were offered to customers aimed at supporting companies that invest in renewable energy and low-emission electric mobility and green real estate.

The direct management of all the subsidised instruments described above has allowed the Bank to create a high level of expertise on the subject, thus offering specific consultancy and tailor-made financial proposals to client companies. Moreover, the in-depth knowledge of the instruments has led the Bank to have a close relationship of collaboration with the Managers of the various facilities; in particular, the collaboration with the Friuli-Venezia Giulia Region has made it possible to continue the offer of specific subsidised facilities for undertakings in the Friuli region.

However, it should be noted that the year was characterised by uncertainties linked to the geopolitical situation and the related tensions on international trade, which led entrepreneurs to a cautious attitude to investments.

Several events were also organised during the year, aimed at promoting financial knowledge and fostering greater awareness in economic choices with a focus on subsidised financing solutions, which will also continue in 2026.

PAYMENT AND DIGITAL SERVICES FOR UNDERTAKINGS

In a market context in which digital payments are growing steadily and are almost at parity with cash payments, a partnership between Nexi and the Sparkasse Group continued in 2025. This collaboration is aimed at enhancing cross-selling opportunities, supported by a wide range of advanced and value-added services dedicated to undertakings.

We register strong competitiveness in terms of pricing by the competition that often puts us out of the market with our offers.

THE LEASING MARKET

The Bank continued its development of the leasing product, confirming the quality of the service offered. The direct management of the product, by means of a specific division, made it possible to develop a complete service to customers, combining the benefits of lease with the consultancy and management of national Sabatini and regional Sabatini facilities in Friuli-Venezia Giulia, as well as the use of subsidised funds and MCC and Confidi guarantees, in a single offer and a single customer service.

Operations covered not only the capital goods and real estate sectors, but also the nautical and vehicle sectors, which experienced the greatest growth in the market, prevailing in terms of both volume and number of transactions, which are typically the prerogative of specific product companies.

The Bank's wide-ranging specialisation has thus enabled a "service" to the Customer in a comprehensive manner, covering all their needs and creating new business development opportunities, including with new Customers.

Product diversification has resulted in excellent risk diversification both by counterparty and by asset type, with clear benefits in terms of risk containment.

Lastly, a servicing activity continued for the Parent Bank, with the first transactions in favour of Sparkasse customers, with a view to synergism at Group level.

6.2 Interest Rate and Condition Policy

Like the previous year, in 2025 Pricing was primarily influenced by the European Central Bank's stance on the cost of money management. The year, during which the ECB continued its rate reduction cycle without ever making increases, was characterised as a phase of gradual monetary easing, aimed at bringing inflation back to the target of 2%. In following this trend, the conditions proposed to customers have also followed the reduction of IRS and EURIBOR, parameters to which most of our products refer in the catalogue. With regard to the Spread applied, several factors were taken into account, including the adjustments to the cost components and Pricing proposed by the main competitors, both national and local.

In the funding sector, the remuneration strategy was also adjusted to the aforementioned context, providing for a gradual reduction in the proposed rates.

6.3 Commercial Initiatives, Communication and Marketing Activities

SPARKASSE GROUP

SPARK ARRIVES – THE NEW SPARKASSE GROUP COMMUNITY

A highlight and central point of communication activity in 2025 was undoubtedly the launch of SPARK, the new Sparkasse Group community to help young people build financial awareness. In addition to a strong presence on

digital channels with engaging and updated content with a dedicated website (www.be-spark.it) and social profiles (Instagram, TikTok and YouTube), Spark is present in two physical spaces in Bolzano: Spark Space in via Cassa di Risparmio and Spark Studio in Piazza Walther. Spark is designed to be a safe space, both physical and digital, where young people can meet an active community, discuss financial topic and learn about dedicated products and tools to better manage their finances.

The name selected, SPARK, recalls the term in English "spark" and evokes concepts of beginning, energy, innovation and creativity, which give life to something new and constantly evolving. The design reflects the values and solidity of the Sparkasse brand, also recalling the distinctive forms and signs of the Group Banks, ensuring continuity and recognition but with a more dynamic approach.

The SPARK project, dedicated to the under-30 customers of the Sparkasse Group, was born with the ambition to acquire and create a stable and profitable relationship with the Alpha target (age group 0-15 years) and Gen Z target (age group 16-30 years), going beyond the simple advantage and extemporaneity linked to a product. The youth target has distinctive social values and needs and communication with this age bracket needs a more direct, practical and digital approach, although the branches, understood as a human relationship, continue to play a role deemed important to manage more complex financial needs.

At the launch of SPARK, the banking group reformulated the entire offer of the product range and the Brand of the segment, with the aim of offering services that are increasingly close to the needs of young customers to best accompany them in the different phases of their life.

"SPARKASSE AND CIVIBANK CAFFÈ" COMMUNICATION CAMPAIGN

The new web series "Sparkasse and CiviBank Caffè" met with remarkable success. It was launched on social media and lasted the entire year 2025, with a monthly episode dedicated to a different theme. This creative project is designed to offer useful and informative content related to banking products and services, presented in a fresh and engaging way. Set inside a bar, the series combines lightness and professionalism, with a colloquial tone that makes the banking themes closer to daily life. The web series was created in a personalised way, both for Sparkasse (in Italian and German), and for CiviBank. With this mini-series, our banking group set out to get closer to our customers, offering clear answers in a pleasant and informal context.

NEW PRESENCE ON THE WEB

More accessible, integrated and future-oriented – these are the characteristics of the new websites www.sparkasse.it, www.civibank.it and www.suedspa.de (relating to the activities and headquarters of the Cassa di Risparmio di Bolzano in Germany), the result of an important digital evolution project that involved the entire Sparkasse Group. The restyling is not only graphic, but represents a real technological and functional leap, designed to offer a smoother, more inclusive and more consistent user experience. The new websites also reflect the precepts on digital accessibility, and have a modern, intuitive and consistent graphic layout with the Group's visual identity, which improves navigation and enhances content. Also from a technological point of view, the web presence has been reconsidered, to offer greater performance and more security. The new website represents a further step towards an increasingly digital bank, close to customer needs and attentive to innovation.

NEW JOURNAL FOR THE SPARKASSE GROUP

The Sparkasse Group's Journal has completely changed its look and took a new direction: a modern, dynamic style in line with the Group's evolution. The layout, format and contents have changed, new columns are now available and the number of pages has increased considerably, 36 in all, with an elegant glue binding – all to testify to the outside, to customers, shareholders and stakeholders, the excellence of our banking group. With this restyling, the Journal becomes a real magazine, an even more effective tool to tell the world who we are, make us known and be recognised. A medium that helps us communicate our identity, our values and our vision.

SPARKASSE GROUP FIRST BANKING GROUP IN ITALY WITH INTEGRATED ISO CERTIFICATION

The Sparkasse Group is the first bank group, at national level, to have an integrated ISO certification for environmental sustainability and occupational health and safety. The three Group companies, composed of Sparkasse - Cassa di Risparmio di Bolzano, CiviBank and Sparim, have the integrated ISO 45001 – ISO 14001 certification (Occupational health and safety – Environmental sustainability).

SPARKASSE GROUP AWARDED FOR COMMITMENT TO ACHIEVING SDG OBJECTIVES

The Sparkasse Group received prestigious recognition as it was awarded in Washington with the SDG-Award for its concrete contribution to the achievement of the UN sustainable development goals. The award was established by the international association representing the World Savings and Retail Banking Institute (WSBI) and the European Savings and Retail Banking Group (ESBG) to enhance and celebrate outstanding contributions to the achievement of the Sustainable Development Goals (SDG) adopted by the United Nations as part of the 2030 Agenda to promote economically, socially and environmentally sustainable development by 2030. The SDG-Award was presented at a ceremony held in Washington for only 46 banks worldwide, including the Sparkasse Group, awarded for its commitment in three categories: Financial inclusion and social impact, Climate finance, Customer education.

SPARKASSE GROUP RECOGNISED AS A "SUSTAINABILITY LEADER"

Sparkasse and CiviBank are among the companies in Italy that are most attentive to environmental and social issues, actively contributing to a respectful and sustainable economy. As a result, the Group has been awarded the title of "Sustainability Leader" also for 2025. The initiative is promoted by "Statista", the independent German market and consumer data research institute, in partnership with "Il Sole 24 Ore". This achievement reflects the concrete actions and ongoing commitment of parent bank Sparkasse, now shared with the newly acquired CiviBank Società Benefit.

SPARKASSE GROUP SIGNS PARTNERSHIP AGREEMENT WITH DIGIT'ED

The Sparkasse Group and Digit'Ed, the Italian hub of digital training and transformation, with its 24ORE Business School of higher education, signed a strategic partnership agreement dedicated to the development of skills and the enhancement of human capital of the 2000 people of the Group. The initiative reflects the Sparkasse Group's ambition to be a leader in the areas where it operates and is part of a long-term process that the Group has undertaken to support its organisational development and strengthen the skills of our people in a context of profound transformation of the sector.

SUPPORT TO THIRD SECTOR ENTITIES OF THE TERRITORY

In 2025, the Sparkasse Group launched a new subsidised financing line dedicated to Third Sector Entities (TSEs), reinforcing its support for organisations working with social, environmental and cultural purposes. As part of the Budget Law, which provided Third Sector Entities (TSEs) with access to the Central Guarantee Fund for SMEs until 31 December 2025, the banking group made available to its customers – and in support of the local community – dedicated financial instruments guaranteed by the State, with coverage of up to 80% of the amount. The initiative is designed to facilitate access to credit for high social-impact realities, which often encounter difficulties in obtaining adequate financing.

The specific initiatives relating to the two banks are reported below.

SPARKASSE

ESG RATING: ONE OF THE TOP BANKS ON THE LIST

Cassa di Risparmio di Bolzano is one of the top banks on the ESG rating list of unlisted banks. The bank stands out for its EE- rating in the ESG rating list that certifies it as "sustainable". The rating was assigned by Standard Ethics, an independent sustainability rating agency, based in London. The rating agency decided to create this benchmark with the aim of providing an overview of sustainability within the non-listed banking sector in Italy and to monitor progress in alignment with the international guidelines promoted by supranational bodies (OECD, UN and EU). At the beginning of June 2025, the agency issued the first ESG ratings in view of the publication of a new benchmark composed of the top 25 banks not listed in Italy. Within this benchmark, the highest range is occupied by a group of banks reaching the EE-, "sustainable", threshold, including Sparkasse.

THE NEW BRANCH IN REGGIO EMILIA NOW OPEN

Thus, in the autumn of 2025, Cassa di Risparmio di Bolzano opened in Reggio Emilia its third branch in the Emilia-Romagna region, after those of Bologna and Modena. The new branch follows the entire eastern part of the region, namely, in addition to the province of Reggio Emilia, also the provinces of Parma and Piacenza. The location of the branch is also prestigious and strategic: in the main square of the city, in front of the Duomo and next to the City Hall, where the municipality has its offices. The branch is characterised by an innovative internal organisation with a strong specialisation on Corporate Banking and on high-value services for companies. A project is also planned for the development of the Private Banking part by pooling synergies between the two service models in the same spaces.

FOUR BRANCHES RENOVATED

During 2025, Cassa di Risparmio di Bolzano completely renewed and inaugurated four branches, re-designed according to an innovative concept of reception and consultancy: the flagship branch in the historic centre of the city of Trento, the historic branch in the district of Oltrisarco in Bolzano, the branch in the village of Lana and that of Laces in Val Venosta.

CIVIBANK

CiviBank between history and future: "Historic Company of Italy" and "I Am FVG" certification marks obtained

In 2025 CiviBank reaffirmed its link with the territory by obtaining two prestigious recognitions: registration in the National Register of Historical Companies of Unioncamere, which celebrated its 140 years of activity since 1886, and the adherence to the "I Am FVG" mark. As a Benefit Corporation and B Corp, the institute combines the centuries-old tradition with a model oriented towards sustainability and the enhancement of local excellence. These milestones confirm the bank's role as a pillar for the territory, combining historical roots and positive impact.

CiviBank renews its presence in the heart of Udine

CiviBank consolidates its presence in Udine through the strategic renewal of two key branches, confirming its commitment to the Friulian territory. In June 2025, the new "flagship" branch of via Vittorio Veneto 24 was inaugurated, a space on four floors designed for retail and private customers. In November, the "top performer" branch of Piazzale XXVI Luglio (Udine 1) doubled its spaces, offering a modern and welcoming environment with a team of ten professionals. Both actions aim to promote a model of personalised consultancy, combining banking tradition with space innovation.

Local initiatives

CiviBank acts proactively by investing strongly in the future. For this reason, it supports the organisation of the FVG Job Fair, held in Udine by the Association of Management Engineering Graduates (Allg). Every year, over a thousand young people take part in this event, which is aimed at promoting employment.

The organisation of meetings dedicated to companies has offered valuable opportunities for discussions on crucial issues such as growth, innovation and sustainability for companies in the area. In collaboration with organisations and professionals in the sector, the events also focused on the agri-food chain. These moments of dialogue confirm the ongoing commitment to supporting the development of a key sector for the local economy.

CiviBank actively supports the well-being and growth of new generations, promoting the training values of physical activity. With the support of the project "Youth at Sports School", the initiative focusing on inclusion and socialisation, reaffirms the institute's commitment to the social development of the territory.

CiviCrowd FOR 2030 is the special initiative developed by CiviBank to help non-profit organisations in the North-East to raise funds online and implement projects dedicated to health, quality education, equality and social inclusion.

Sponsorships and charitable contributions

Aware of its relevance for socio-economic and environmental development, CiviBank aligns corporate strategies with the well-being of the community and the creation of shared value.

The ability to integrate entrepreneurial vision with deep social responsibility distinguishes the institute as a bank of the local area, based on the belief that only a balance between economic and social progress ensures sustainable growth.

In line with its statutory purposes, the bank actively promotes the development of the community by supporting initiatives in the areas of solidarity, culture and sports.

Promotion of sports

Team sports

Worthy of note are the support to the local basketball teams APU Amici Pallacanestro Udinese, which play in the A1 series, and United Eagles Basketball, which lead in the national A2 series, and the contribution to the local youth teams. Support was also given to Pallacanestro Trieste, the leading men's basketball team in the regional capital, which plays in the top national league. CiviBank supports women's volleyball by sponsoring the CDA Volley Talmassons FVG team, the expression of the A2 series of women's volleyball. Also noteworthy is the Bank's contribution to the Imoco Volleyball of Conegliano, a multi-medal-winning women's team. The partnership agreement with Udinese Calcio, the historic sports team playing in the A series, was also renewed. The Bank confirmed its support for the world of cycling by assisting the activities of local teams, including the A.S.D. Rinascita Friuli.

Other sporting initiatives

CiviBank renewed its support for the team "Fast and Furio Sailing Team" that competed with Arca Sgr and Marta 07 to win the 57th edition of the Barcolana, the international sailing regatta that takes place in the Gulf of Trieste, and confirming the sailing excellence of Friuli-Venezia Giulia. The bank, as a Benefit Corporation and B Corp, supported both the experienced crew and the new generations, enhancing its link with the territory. This partnership underlines the commitment to promoting sports as a vehicle of values, passion and collaboration.

The Bank also supported athletics by sponsoring the "Corsa della Bora" race, the iconic route through the beauty of Trieste. The sporting commitment also extends to the world of golf, through the organisation of games on the greens of the territory.

Culture and Art

The Bank has always shown a strong commitment to promoting local culture and art. This commitment takes shape through the support of numerous initiatives and collaborations with local cultural and artistic entities, supporting events ranging from music to theatre, from visual art to history, all contributing to create a lively and stimulating environment for the community.

The Giovanni da Udine New Theatre Foundation and Teatro Verdi in Pordenone, both major cultural institutions in the region, have received the Bank's support for their annual programmes. Their seasons feature a wide range of performances, from classical music to drama, opera and dance, offering the public high-quality artistic experiences. CiviBank also supports Kulturni Dom, a key institution in promoting Slovenian culture in Italy, which acts as a bridge between different cultural traditions. Since its inception, Mittelfest has also benefited from the Bank's support: an international festival celebrating performing arts, from music to theatre, dance to circus, attracting an ever-growing audience, including from abroad. The Committee of San Floriano di Illegio (Tolmezzo) is renowned for its international art exhibitions, which have turned this small Friulian village into a prestigious cultural centre, with CiviBank among its main partners.

The FVG Orchestra, a symphonic ensemble established by the Region of Friuli Venezia Giulia to preserve the musical heritage of this culturally rich borderland, counts the Bank among its active supporters, recognising the crucial role of music in promoting culture and local identity.

Within GO! 2025, which saw Gorizia and Nova Gorica as the European Capital of Culture, CiviBank reaffirmed its role in promoting cross-border dialogue and creative excellence. In this context of international scope, the support for the Gorizia stage of "La Milanese" is included, with the event dedicated to "The intelligence of borders". This initiative testifies to the bank's desire to accompany the territory towards prestigious cultural goals, combining local roots and a European vision.

These collaborations are accompanied by the support of the Northeast Symphony Association and the Festival of Trieste "Il Faro della Musica", which celebrate the universal value of the language of music.

The Bank also enhances local visual art, providing its spaces at the Cividale branch to host exhibitions of local artists and create an increasingly dynamic cultural-artistic centre.

Supporting the development of the local economic fabric

The support for Friuli DOC confirms CiviBank's commitment to the event symbolising food and wine excellence in the region, an event capable of combining high quality tastings and great moments of performance.

The Bank has also renewed its support for "Movimento Turismo del Vino FVG" [FVG Wine Tourism Movement], an association that counts among its members the most prestigious wineries in the Friuli-Venezia Giulia region. Craftsmanship in the food and wine sector is an appreciated and sought-after aspect; for this reason the Bank sponsors the activities of Etica del Gusto Ets, a non-profit association that brings together more than thirty artisans from Friuli Venezia Giulia, employed in the pastry sectors, ice cream, bakery and chocolatier.

The Bank was also a main partner of the "Casa Moderna" [Modern Home] trade show, organised by Udine Esposizioni, as main sponsor. The annual event presents the best furnishing solutions for interiors and exteriors, showcasing local companies and products.

In addition to this commitment, the focus is on agriculture in the future: The participation in the Coldiretti Veneto Green Oscars has awarded youth entrepreneurship and projects capable of combining technological innovation and environmental sustainability. This support aims to support the new generations of farmers who, with vision and courage, regenerate the agri-food sector. In parallel, the Bank promotes slow and conscious tourism through the "Girarifugi" initiative, inviting everyone to discover in an authentic way, the natural heritage and the hospitality of our mountains.

6.4 Territory, Public Relations and Sponsorships

In addition to its banking activities, the Sparkasse Group is particularly attentive to the life and support of its local community, which it supports through numerous economic, sporting and cultural initiatives.

Territory

Financial education for local young people

Cassa di Risparmio di Bolzano, the Italian Education and Training Directorate of the Autonomous Province of Bolzano and the Free University of Bolzano signed a collaboration agreement to promote financial education amongst students in South Tyrol. The initiative started with a pilot phase in the city of Bolzano in the 2025-2026 academic year, with the aim of developing an innovative and replicable educational model on a provincial scale, through the joint implementation of financial education activities (lessons, laboratories, workshops) aimed at students of all levels of the Italian language school and university system of South Tyrol. With this collaboration, the bank strengthens its commitment to social sustainability, contributing to the responsible development of its territory. For the various joint financial education initiatives, Sparkasse also provides the new spaces created under the SPARK project.

Supporting local organisations for crowdfunding

Sparkasse and the Caritro Foundation joined forces: The Caritro Foundation's call for culture and sport for social affairs in 2025 was enriched by the participation of the Sparkasse Group through crowdfunding campaigns. The 2025 edition of the call, in addition to the contribution to selected projects by the Caritro Foundation, also included the activation of crowdfunding campaigns (online fundraising via community donations) and a co-financing of the bank, including a free training course, offered by Sparkasse.

Fundraiser for GretA and AIAS Bolzano

Cassa di Risparmio di Bolzano, in 2025, carried out two charitable actions, the first in collaboration with the South Tyrolean voluntary association GretA Genitori e Rete Autismo, the second with AIAS Bolzano OdV to provide concrete help to families of people with different abilities. Customers were able to donate EUR 1 to charity when withdrawing money from the bank's ATMs. As a result, the sum of EUR 9,403 was accumulated for GretA and from this figure, Sparkasse increased the amount by a further EUR 9,000, bringing the total amount to EUR 18,403. For AIAS, on the other hand, the sum of EUR 11,174 was accumulated and from this figure, the bank increased the amount by an additional EUR 3,872, bringing the total amount to EUR 15,000.

Sustainability Research Award

Two researchers linked to the Free University of Bolzano (unibz) who have won the 2025 edition of the Sustainability Research Award: Elisabeth Gsottbauer, Professor of Environmental Economics and Director of the Competence Centre for Sustainability of unibz, and the young university researcher Salvatore Monaco. Established in 2023, the EUR 10,000 prize is awarded every two years by our bank together with the Cassa di Risparmio di Bolzano Foundation, in collaboration with unibz, to enhance scientific results of excellence in the field of sustainability.

Innovation Award for Sustainability

The Innovation Award for Sustainability is promoted and financed by the bank together with the Cassa di Risparmio di Bolzano Foundation and is presented by the Free University of Bolzano. The award recognises South Tyrolean companies that, with innovative solutions, contribute to sustainable development in line with the 17 Sustainable Development Goals of the United Nations. The recognition of the 2025 edition was awarded to the young environmental engineer Daniele Basso, Founder, Chairman & CEO of HBI Group, with headquarters in Bolzano and plant in Zero Branco (Treviso), which conceived, developed and patented a system for the treatment of industrial sludge, tannery sludge and biodegradable waste that can recover 85% of the water contained within them and produce renewable energy. All this by reducing by over 90% the material otherwise destined for landfill or incineration.

Partnership to support local tourism

During 2025, the bank signed partnership agreements with various organisations representing tourism businesses to support them in their transition to sustainability, including: the Union of Hoteliers and Public Operators of South Tyrol (HGV), the Association of Hoteliers and Tourism Companies of the Province of Trento (ASAT – FEDERALBERGHI TRENTINO) and Federalberghi Terme Abano Montegrotto. In order to support operators in the sustainable transition, Sparkasse provides specialist advice, which is essential to provide banking products and services as close to business sustainability ambitions.

Public Relations

General Meeting of the European Savings Banks in Bolzano

The Cassa di Risparmio di Bolzano hosted an important international event of the highest level. The Association of Free Savings Banks held its annual general meeting of members, choosing this year precisely the Sparkasse Academy of our bank in Bolzano as its location. Over 80 chairmen and directors-general of the European Savings Banks attended.

17th Global Forum Südtirol in the name of intuition

The 17th Global Forum Südtirol was held at Eurac Research Bolzano, dedicated to the theme "intuizione – inganno o bussola?" [Intuition – Deception or Compass], with Sparkasse as main sponsor. During the meeting, topics concerning intuition were discussed in depth. Over 300 personalities from the world of politics, the economy and society were present. The Global Forum Südtirol constitutes a unique network of decision makers, an independent "think tank" that provides insights and development on global trends and issues of the future.

20th anniversary of the South Tyrolean Economic Forum

The South Tyrolean Economic Forum celebrated its 20th anniversary, alongside Sparkasse as the main sponsor of the initiative since its inception. The Forum is a stimulating meeting point for freelancers, entrepreneurs and managers, a regular event for the economic fabric, and not only local. The last edition was dedicated to the theme "Energy & Technologies for a Better World". Speakers included entrepreneurs and experts from the business world. The Forum is the ideal platform for an exchange of knowledge, ideas, and experience. The group of participants extends far beyond Alto Adige and offers excellent opportunities to reflect on their actions, obtain innovative impulses, cultivate dialogue and contacts with acquaintances and partners.

The Trentino start-up of the year rewarded

The start-up company Bikeflip won the "Adige Award for the Trentino Start-up of the Year", in partnership with Sparkasse, for having been able to deeply innovate the bike sector by creating a thematic marketplace capable in a short time to establish itself throughout Europe, addressing a diverse audience ranging from professionals in the sector to simple enthusiasts. The aim of the start-up is to link vendors and buyers of the used bicycles and components market. The intention is to promote the culture of reuse, in compliance with the environmental sensitivity of the members and the objectives of the UN 2030 Agenda. The results are encouraging: in 2024 Bikeflip generated a turnover of EUR one million, with sales in 26 European countries.

Information booths at trade fairs

The Bank was once again present with its own information stand at the annual **Hotel Trade Fair** for the hotel and catering industry in Bolzano. As part of the annual "**Fiera Edilizia Abitativa**", [Construction and Housing Trade Show], also in Bolzano, the Bank's staff provided personalised advice to those wishing to buy or renovate their home, illustrating the best solutions in the areas of financing and sustainability, ecobonus, and complete or partial renovation.

Artistic exhibition

"VOLTO" was the theme of the classic pre-Christmas exhibition and its artistic calendar, placing portraits in contemporary painting at the centre. In an age when faces are detected and analysed digitally millions of times, the purpose of the exhibition was to remember that each face is more than the sum of its traits. Forty-four works by 15 mostly young artists were exhibited, seven of them coming from the Euregio Tyrol-Alto Adige-Trentino.

Sponsorships

For the Parent Bank, sponsorships represent a significant marketing and communication tool, supporting the achievement of corporate objectives. The sponsorship relationship thus amounts to a reciprocal exchange of value of services and counter-performances among the parties, i.e. providing financial support to an organisation and at the same time obtaining a set of counter-performances in order to further its business objectives.

We dedicate significant resources to supporting initiatives in the area of sponsorships to support and consolidate relations with some stakeholders, i.e. the external environment from which the Bank draws its resources for its activities. The sponsorship activities, in addition to promoting the image and strengthening ties with the territory, represent an important relationship tool. Some of them are mentioned below.

Minibuses for sports clubs

In order to support sports clubs, the Bank may be asked for a contribution towards the purchase of a new minibus to facilitate the transport of athletes to training and competitions and to make their travel more comfortable. The contribution for a van may be granted also in the form of long-term rental, as part of the Sparkasse Auto offer. Over the past three years, almost 80 associations, including about twenty in 2024, in the different regions have benefited from this form of support.

Team sports

For years Sparkasse has been one of the main sponsors of **FC Südtirol/Alto Adige** in football, a team that plays in "Serie B", and of the **Hockey Club Bolzano Foxes**, which competes in the cross-border ICE Hockey League. These are two top teams at national and international level, examples of passion, enthusiasm, motivation and commitment.

The Bank is the "golden sponsor" of **A.C. Trento**. The Trento Football Association, founded over a century ago in 1921, plays in the Serie C Lega Pro and also has an important presence in the youth sector.

Cassa di Risparmio is the VIP-Sponsor of two men's handball teams, both in the A1 division. These are the **SSV Bressanone**, which to date has won 2 national championships and 4 Italian Cups and whose handball section has been active since 1971, as well as the **SC Merano Handball**, also established over half a century ago, in 1972. In its history, it has won 1 Italian Cup and 1 Super Cup.

Sparkasse also supports the hockey teams **HC Val Pusteria Lupi**, **HC Falcons Bressanone**, **HC Broncos of Vipiteno**, **Hockey Ritten Sport** and the women's hockey team **Eagles Bolzano**.

The Bank is a sponsor of the men's volleyball team **Trentino Volley**, competing in the SuperLega and reigning Italian champion on its fifth win and European Champion for the fourth time, as well as the women's teams **Neruda Volley**, **Alto Adige Volley Südtirol (AVS)** and **SSV Bolzano Volley**.

Also worth mentioning is the presence of the Bank in the sport of basketball, where it is a sponsor of the men's team of Serie A **Aquila Basket Trento**, and the women's teams **ASD Basket Club Bolzano**, playing in A2, and **Pallacanestro Bolzano Sisters**.

Other sports sponsorships

An appointment of high-level international tennis: the **Sparkasse ITF Women's Val Gardena Südtirol** was staged from 23 to 29 November 2025, for the first time as a USD 40,000 ITF W50. The winner was the Spanish outsider Eva Guerrero Alvarez. The 26-year-old Iberian basked in the greatest stroke of her career in South Tyrol: she stood out in the USD 40,000 tournament, receiving the prize of EUR 5,634 and leaving the public dumbfounded with five net wins, never in dispute.

The Bank also sponsors the ITF Future **"Sparkasse Alperia Trophy"**, with a prize pool of USD 30 thousand, organised by the **Bolzano Tennis Club**, a long-standing association of the capital city (established in 1929). The tournament was won by Andrea Picchione. The 27-year-old from Abruzzo triumphed on the Bolzano Tennis Club courts, establishing himself in the 13th edition of the prestigious tournament.

The collaboration with **Assisport Alto Adige/Südtiroler Sporthilfe** continued, with the aim of helping and supporting young sporting talents. For over 15 years, the Bank has been the official partner of the association, which has supported so far more than 1,500 boys and girls, of whom various have become top athletes at world level, like Dorothea Wierer, Laura Letrari, Manfred Mölgg and Christopher Innerhofer, winning Olympic, Paralympic, World and European titles. It is also the official sponsor **of the Unione Società Sportive Altoatesine USSA**, which for more than 40 years has promoted sport in the territory of Alto Adige.

Lastly, Sparkasse supports the young and promising **cyclist Matteo Bianchi**, a native of the town of Laives in Alto Adige, European champion in the kilometre time trial from a standing start.

Economy

For over twenty years, Cassa di Risparmio has been the main sponsor of **Fiera Bolzano**, whose aim is to multiply relationships, connecting people, markets and ideas, including through different participation formats. Fiera di Bolzano is a meeting point for Italian companies and those from the German-speaking area and neighbouring countries, creating opportunities for collaborations.

The Bank is the main sponsor of **Confindustria Trento**, which represents the interests and collective identity of Trentino companies and which today has over 600 member companies which in turn employ 30 thousand employees. The Bank confirmed its role as primary partner of the important segment of industrial companies in Trentino also at the annual meeting of Confindustria Trento. It was an important opportunity to introduce ourselves as a qualified interlocutor of companies and to manage relations with the Trentino industry leaders.

Culture and Art

The Bank is a partner of major cultural events and is committed as a sponsor in cultural enhancement activities, supporting various institutions.

In the field of music, the **"Südtirol festival Merano"** is worth mentioning for its rich programme: an international and prestigious festival with various top-level orchestras. The Festival represents the excellence of events in Alto Adige, concerts of classical and baroque music, jazz and world music, chamber and vocal music with an audience from all over the world.

The partnership agreement with the **Haydn Foundation of Bolzano and Trento**, one of the most prestigious artistic institutions in Trentino-Alto Adige, continued. It promotes quality musical culture by offering the public unique musical experiences with the Haydn Orchestra.

The Bank is the main sponsor of the annual **Festival della Bellezza**. From June to October, 40 cultural events are held in 22 symbolic places of the historical and artistic heritage in Italy, including in the most evocative locations of Verona, Vicenza, Padua, Venice and Milan, combining art, music, philosophy and entertainment.

Focus is also placed on theatre activities. The institute is a sponsor of the **Teatro Stabile di Bolzano** which, after the Piccolo di Milano, is the second "Teatro Stabile" in Italy, and is one of the most important cultural institutions in the region. In addition, it is the official sponsor of the **Teatro Cristallo** as well as of the theatre activity of the **Südtiroler Kulturinstitut (SKI)**.

CIVIBANK

CiviBank Società Benefit has a business model oriented towards a positive impact on the community. This also translates into economic investments aimed at the social, cultural, sporting and moral growth of the community.

Territory

FVG Job Fair

CiviBank acts proactively by investing strongly in the future. For this reason, it supports the organisation of the FVG Job Fair, held in Udine by the Association of Management Engineering Graduates (ALig). Every year, over a thousand young people take part in this event, which is aimed at promoting employment.

Business meetings

The organisation of meetings dedicated to companies has offered valuable opportunities for discussions on crucial issues such as growth, innovation and sustainability for companies in the area. In collaboration with organisations and professionals in the sector, the events also focused on the agri-food chain. These moments of dialogue confirm the ongoing commitment to supporting the development of a key sector for the local economy.

"Youth at Sports School" project

CiviBank actively supports the well-being and growth of new generations, promoting the training values of physical activity. With the support of the project "Youth at Sports School", the initiative focusing on inclusion and socialisation, reaffirms the institute's commitment to the social development of the territory.

CiviCrowd FOR 2030

CiviCrowd FOR 2030 is the special initiative developed by CiviBank to help non-profit organisations in the North-East to raise funds online and implement projects dedicated to health, quality education, equality and social inclusion.

Sponsorships and Charitable Contributions

Aware of its relevance for socio-economic and environmental development, CiviBank aligns corporate strategies with the well-being of the community and the creation of shared value.

The ability to integrate entrepreneurial vision with deep social responsibility distinguishes the institute as a bank of the local area, based on the belief that only a balance between economic and social progress ensures sustainable growth.

In line with its statutory purposes, the bank actively promotes the development of the community by supporting initiatives in the areas of solidarity, culture and sports.

Team sports

Worthy of note are the support to the local basketball teams **APU Amici Pallacanestro Udinese**, which play in the A1 series, and **United Eagles Basketball**, which lead in the national A2 series, and the contribution to the local youth teams. Support was also given to **Pallacanestro Trieste**, the leading men's basketball team in the regional capital, which plays in the top national league. CiviBank supports women's volleyball by sponsoring the **CDA Volley Talmassons FVG** team, the expression of the A2 series of women's volleyball. Also noteworthy is the

Bank's contribution to the **Imoco Volleyball** of Conegliano, a multi-medal-winning women's team. The partnership agreement with **Udinese Calcio**, the historic sports team playing in the A series, was also renewed. The Bank confirmed its support for the world of cycling by assisting the activities of local teams, including the **A.S.D. Rinascita Friuli**.

Other sporting initiatives

CiviBank renewed its support for the team "**Fast and Furio Sailing Team**" that competed with Arca Sgr and Marta 07 to win the 57th edition of the Barcolana, the international sailing regatta that takes place in the Gulf of Trieste, and confirming the sailing excellence of Friuli-Venezia Giulia. The bank, as a Benefit Corporation and B Corp, supported both the experienced crew and the new generations, enhancing its link with the territory. This partnership underlines the commitment to promoting sports as a vehicle of values, passion and collaboration.

The Bank also supported athletics by sponsoring the "**Corsa della Bora**" race, the iconic route through the beauty of Trieste. The sporting commitment also extends to the world of golf, through the organisation of games on the greens of the territory.

Economy: Supporting the development of the local economic fabric

The support for **Friuli DOC** confirms CiviBank's commitment to the event symbolising food and wine excellence in the region, an event capable of combining high quality tastings and great moments of performance.

The Bank has also renewed its support for "**Movimento Turismo del Vino FVG**" [FVG Wine Tourism Movement], an association that counts among its members the most prestigious wineries in the Friuli-Venezia Giulia region. Craftsmanship in the food and wine sector is an appreciated and sought-after aspect; for this reason the Bank sponsors the activities of **Etica del Gusto Ets**, a non-profit association that brings together more than thirty artisans from Friuli Venezia Giulia, employed in the pastry sectors, ice cream, bakery and chocolatier.

The Bank was also a main partner of the "**Casa Moderna**" [Modern Home] trade show, organised by Udine Esposizioni, as main sponsor. The annual event presents the best furnishing solutions for interiors and exteriors, showcasing local companies and products.

In addition to this commitment, the focus is on agriculture in the future: The participation in the **Coldiretti Veneto Green Oscars** has awarded youth entrepreneurship and projects capable of combining technological innovation and environmental sustainability. This support aims to support the new generations of farmers who, with vision and courage, regenerate the agri-food sector. In parallel, the Bank promotes slow and conscious tourism through the "**Girarifugi**" initiative, inviting everyone to discover in an authentic way, the natural heritage and the hospitality of our mountains.

Culture and Art

CiviBank has always shown a strong commitment to promoting local culture and art. This commitment takes shape through the support of numerous initiatives and collaborations with local cultural and artistic entities, supporting events ranging from music to theatre, from visual art to history, all contributing to create a lively and stimulating environment for the community.

The **Giovanni da Udine New Theatre Foundation** and **Teatro Verdi in Pordenone**, both major cultural institutions in the region, have received the Bank's support for their annual programmes. Their seasons feature a wide range of performances, from classical music to drama, opera and dance, offering the public high-quality artistic experiences. CiviBank also supports **Kulturni Dom**, a key institution in promoting Slovenian culture in Italy, which acts as a bridge between different cultural traditions. Since its inception, **Mittelfest** has also benefited from the Bank's support: an international festival celebrating performing arts, from music to theatre, dance to circus, attracting an ever-growing audience, including from abroad. The **Committee of San Floriano di Illegio (Tolmezzo)** is renowned for its international art exhibitions, which have turned this small Friulian village into a prestigious cultural centre, with CiviBank among its main partners.

The **FVG Orchestra**, a symphonic ensemble established by the Region of Friuli Venezia Giulia to preserve the musical heritage of this culturally rich borderland, counts the Bank among its active supporters, recognising the crucial role of music in promoting culture and local identity.

Within **GO! 2025**, which saw Gorizia and Nova Gorica as the **European Capital of Culture**, CiviBank reaffirmed its role in promoting cross-border dialogue and creative excellence. In this context of international scope, the support for the Gorizia stage of "**La Milaneseiana**" is included, with the event dedicated to "The intelligence of borders". This initiative testifies to the bank's desire to accompany the territory towards prestigious cultural goals, combining local roots and a European vision.

These collaborations are accompanied by the support of the **Northeast Symphony Association** and the **Festival of Trieste "Il Faro della Musica"**, which celebrate the universal value of the language of music.

The Bank also enhances local visual art, providing its spaces **at the Cividale branch** to host **exhibitions of local artists** and create an increasingly dynamic cultural-artistic centre.

6.5 Public Entity Treasury

In 2025, the Parent Bank managed Treasury/Cash services for 152 Public Entities, the most important of which are: the Autonomous Province of Bolzano, the Alto Adige Health Authority, the Social and Economic Development Agency - ASSE, the Institute for Social Housing - IPES, the University of Bolzano and 28 municipalities. To date, only one organisation still operates in paper format. The number of mandates and reversals at the end of the financial year is about 1,400,000 for an amount of almost EUR 25.1 billion between income and expenditure.

In 2025, Civibank managed Treasury/Cash services for 30 Public Entities (among them, one was lost in June and one in August), the most important of which are: Municipality of Martignacco, Municipality of Cividale, Municipality of Tavagnacco, Municipality of Premariacco, Asp Cividale, Friuli Orientale Community and Carnia Mountain Community, Municipality of Venzone.

There is a single entity in paper format. The number of mandates and reversals at the end of the financial year is about 125,000 for an amount of almost EUR 64 million between income and expenditure.

6.6 Staff Area

Since the Group is obliged to provide "Sustainability Reporting", information related to this topic, also taking into account its materiality in that perspective, is provided in the dedicated section of this document.

6.7 Research and Development

The plan to develop and innovate channels and services to customers, based on the needs expressed by customers and stakeholders, and in line with the main market trends, continues. The main areas under development are: Digital Innovation in terms of expanding the services offered through Mobile and Internet Banking (Online Invoice Advances, Digital Signature for Companies, as well as those relating to Digital Onboarding, Automation and Process Efficiency (from credit management, to continue with the processes of collections and payments, Foreign transactions, management of banking products, etc.). The CRM-Customer Relationship Management project as a tool for the customer approach to optimise the offer of products and services to them has reached a level of maturity to allow its use to the entire sales network with increasing use. Innovation investments also include the modernisation of graphometric and digital signature solutions with an integrated multi-channel perspective and greater performance.

6.8 Real Estate and Lease Sector

The subsidiary Sparim S.p.A. holds the Group's property assets, specifically the operating properties used by the Parent Bank Sparkasse and by Banca di Cividale, in carrying out its institutional activities. Sparim also holds a portfolio of non-operating properties managed, for the most part, according to a "core" strategy, and a portfolio of properties acquired as part of the Parent Bank's credit recovery activities, actively participating in the assignment processes (auctions) of property collateral.

Sparim is entrusted not only with supporting the two banks of the Group in managing the operating property assets used for banking activities (Facility Management, Property Management, etc.), but also with enhancing the value of the investment property portfolio and providing support in credit recovery activities carried out by the Group's banks.

That said, in 2025 Sparim recorded a positive result of EUR 6.1 million (EUR 9.3 million in 2024). It should be noted that within the scope of the consolidated financial statements, intra-group components were eliminated and therefore, to this end, part of the Group's real estate revenues and costs commented on in this paragraph are not reflected in the Group's financial statements.

Sparim's "Total Revenue" amounted to EUR 20.8 million (EUR 23.1 million in 2024) and consists of: rental revenues of EUR 16.7 million (EUR 14.0 million in 2024), capital gains from property sales of EUR 0.2 million (amount not valued in 2024), other revenues and income of EUR 1.7 million (EUR 1.5 million in 2024), non-existence of provisions for risks and charges of EUR 0.6 million (EUR 0.2 million in 2024), revenues from the sale of goods of EUR 1.5 million (EUR 7.4 million in 2024).

Sparim's "Operating costs" amounted to EUR 8.1 million (EUR 12.3 million in 2024); the slight decrease compared to the previous year is mainly to be attributed to lower costs related to the item, "Change in inventories of goods" which corresponds to a similar change in the item "Revenues from sale of goods".

The fair value measurement of owned property assets, carried out by an independent external appraiser, showed an overall positive result of EUR 2.4 million (EUR 1.2 million in 2024).

Financial management shows a positive balance of EUR 0.8 million (EUR 1.0 million in 2024).

The balance of the item "Income taxes for the year" amounted to EUR 9.8 million (EUR 3.7 million in 2024). The increase in the item taxes is related to the tax effects of the assignment of the real estate business unit by Civibank, following the response of the Revenue Agency to a request put forward by Civibank on the transaction in question.

7 Equity Investments and Interests

7.1 Main Functional Minority Interests

Autosystem S.p.A.

Autosystem S.p.A. is a company that deals in short-, medium- and long-term vehicle rental, operating mainly in North-East Italy and Lombardy with almost forty years of experience in the field. The figures as at 31 December 2025 show total assets of EUR 109.8 million and a net profit for the year of EUR 1.1 million.

The equity investment in the company's share capital was acquired by Cassa di Risparmio di Bolzano in 2021. As a result, three executives of Cassa di Risparmio joined the company's Board of Directors. At the Ordinary Shareholders' Meeting held on 2 April 2024, two executives of Sparkasse were confirmed in the Board of Directors of Autosystem S.p.A., one of whom holds the position of Deputy Chairman, who will remain in office until the approval of the financial statements as of 31 December 2026.

Help Line S.p.A.

Help Line S.p.A. is the Contact Centre of the NEXI Group and was established in 2010, as part of the broader project of integration between the companies belonging to the NEXI Group, from the merger of the companies Help Phone S.r.l., Si Call S.p.A. and the subsequent incorporation of the Help Desk branch of CartaSi S.p.A. Helpline manages, for all the companies of the Nexi Group and for other companies in the market, pre- and post-sales assistance and information services, customer care services and management of promotional initiatives. It is also specialised in outbound campaigns, from surveys to the promotion and launch of new services, from the management of appointments to promotional actions. The shareholders of the company are NEXI with a 70.32% interest and Banca di Cividale with a 29.68% interest.

ACIRENT S.r.l.

The company, which is part of the Automobile Club di Udine (ACU) group, operates specifically in the short- and long-term car rental sector. The company represents the Hertz brand in Friuli-Venezia Giulia and in part of Eastern Veneto: the stations in Udine, Trieste, Pordenone, Feltre and at the Airport of Ronchi dei Legionari are managed under franchise, while Treviso Airport is managed as an agency. The company, which has developed twenty years of experience in the management of car fleets for rental without a driver, also operates in the long-term rental sector for companies and individuals, in synergy with the activities of the ACU Group, whose technical and organisational support it avails itself of for the management of leased car fleets (mechanical workshop, roadside assistance, logistics support, etc.). The shareholders of the company are Autoservice Srl with a 70.0% interest and Banca di Cividale with a 30.0% interest.

CiviESCO S.r.l. - In Liquidation

CiviESCO is an Energy Service Company (in liquidation) that was operating in the field of energy efficiency in North-East Italy. The corporate structure is represented for 20% by CiviBank and for the remaining 80% by Idelaservice cooperative company.

8 Other Significant Information

8.1 Conversion of Additional Tier 1 Perpetual Bonds

It should be noted that on 28 April 2015, the Parent Bank's extraordinary general meeting resolved, by means of an appropriate amendment to the Articles of Association, to grant the Board of Directors the power to issue bonds convertible into ordinary shares of the Company. On 8 September 2015, as part of the paid-up capital increase, the Board of Directors also resolved to issue Additional Tier 1 convertible subordinated bonds, establishing a conversion ratio of 8,000 ordinary shares for each AT1 convertible bond with a par value of EUR 100,000. On 21 December 2015, a total of EUR 45,200,000 (nominal value) of these bonds was subscribed. In May and June 2025 respectively, two of the subscribers requested the conversion of the bonds held into shares, for a total of 40,000 new shares in exchange for bonds with a nominal value of EUR 500 thousand. This option was granted to bondholders until 21 June 2025. At the Board meeting on 24 June 2025, it was therefore resolved that, as a result of the aforementioned conversion requests, the company shall issue a total of 40,000 ordinary shares, setting the implicit book value for the issue of each share at no less than the current value on the date of the resolution, namely EUR 7.84; the remaining portion of the unit value of the share, namely EUR 4.66, shall be treated as share premium. In total, the amount deriving from the conversion of EUR 500 thousand bonds shall be allocated as follows: EUR 313,600 to share capital and EUR 186,400 to the share premium. As a result of the conversions set out above and the determination of the amount of the capital increase to service those conversions, the Company's share capital amounts to EUR 469,644,100.10 and is divided into 59,980,038 ordinary shares lacking par value.

8.2 Communication from Bank of Italy: Opening of the Procedure for Determining the Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

On 23 June 2025, the Parent Bank Cassa di Risparmio di Bolzano received from the Bank of Italy the notice of initiation, pursuant to Articles 7 and 8 of Law No. 241/1990 and subsequent amendments, of the procedure for determining the new MREL requirement of the Sparkasse Banking Group.

In fact, in the context of the activity of drawing up the resolution plan conducted on the Cassa di Risparmio di Bolzano Group, the Bank of Italy, as the National Resolution Authority, after consulting the Supervisory Authority, determines, in the presence of the conditions provided for by the legislation, the minimum requirement of own funds and eligible liabilities (MREL), governed by Regulation (EU) 2014/806 (SRMR).

First of all, the size of the Sparkasse Group should be taken into account, which, following the acquisition of Banca di Cividale, has increased significantly. With the Sparkasse Group falling into the category of Less Significant Institutions classified as High-Impact by the European Central Bank and presenting significant market shares, most relevant on a regional basis, and considering that the failure of the Group would have negative effects on financial stability, particularly significant in a systemic crisis scenario, leading to a spread of the state of crisis to other brokers as well as risks for the protection of protected deposits and impacts on the real economy, including at regional level, the Bank of Italy considers that liquidation under the national insolvency procedure is no longer adequate and credible, as it would not allow the objectives set out in EU Regulation 2014/806 to be achieved to the same extent as a resolution action and has therefore identified the settlement mode as a preferred crisis management strategy. This method has already been chosen in recent years by the Bank of Italy for other competitors of ours.

8.3 Adoption of the 2024 Resolution Plan and Measure to Determine the Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

Please note that on 19 September 2025 the Bank of Italy, as the Resolution Authority, adopted the 2024 resolution plan for the Cassa di Risparmio di Bolzano Group, prepared pursuant to Article 9 of Regulation (EU) 806/2014, as amended by Regulation (EU) 2019/877 ("SRMR").

The administrative procedure relating to the determination of the MREL requirement was initiated by notice of the Bank of Italy of 23 June 2025, as further detailed in paragraph 7.2 above. The current measure confirms the requirements and considerations set out in the letter initiating the procedure.

The resolution plan was prepared according to a principle of proportionality, based on the operational and size characteristics of the group. At present, the resolution plan identifies resolution as a preferred crisis management strategy, with the use of the tool for the sale of business activities (known as "sale of business", through "share deal").

The resolution plan also contains an indication of the minimum requirement for own funds and eligible liabilities (MREL requirement) governed by Article 12 et seq. of the SRMR. In this regard, it should be noted that the requirements that the Parent Bank Cassa di Risparmio must comply with on a consolidated basis will be:

- MREL requirement equal to 18.20% TREA (plus the CBR Combined Buffer Requirement, referred to in Article 128 of Directive 2013/36/EU);
- MREL requirement equal to 5.31% of LRE.

An internal MREL requirement on the subsidiary Banca di Cividale is also provided, to be respected on an individual basis, in the following terms:

- MREL requirement equal to 15.68% TREA (plus the CBR Combined Buffer Requirement, referred to in Article 128 of Directive 2013/36/EU);
- MREL requirement equal to 5.91% of LRE.

In light of the criteria set out in Article 12-duodecies, paragraph 7, SRMR, with reference to the end from which the MREL requirement will be binding, a transitional period is provided for until 1 January 2029. Until the above-mentioned deadline, the Group will be required to comply with the requirement within the terms and conditions set out in measure no. 1797565 of 16 September 2024.

The Cassa di Risparmio di Bolzano Group will take into account the new MREL requirements from a forward-looking perspective in its next strategic and funding plans.

8.4 Pillar 3 Data Hub – Onboarding Process

With communication dated 18 June 2025, the EBA communicated to the Cassa di Risparmio di Bolzano Group the beginning of the onboarding process in the Pillar 3 Data Hub project, a project that will involve the banks of the European Union subject to Disclosure to the public, aimed at the establishment of a single centralised access point that will collect the above information in a structured and uniform manner. The process will follow an approach divided into different phases, in which the banks have been divided into four groups (Group A, B, C and D), and in which Sparkasse is part of Group C. With the fees referring to 31 December 2025, the Group will therefore have to adapt and proceed with the sending of the relevant information in the new planned format.

8.5 Issue of “Green Bond” MREL Eligible

In July, the Cassa di Risparmio di Bolzano issued its first “green” bond. The new Green Bond, issued under the “Green Social & Sustainability Framework”, intended exclusively for qualified investors and placed by a leading domestic intermediary, has a six-year maturity with the Bank’s option for early repayment at the end of the fifth year. The amount of about EUR 100 million raised will be used to finance and/or refinance new and/or existing loans for environmental projects with the following objectives: renewable energy, pollution, the circular economy, green buildings, transport, energy efficiency and the sustainable management of natural resources. Since this is a senior preferred obligation, it is also fully computable for MREL purposes.

8.6 ECB Interest Rate Cuts

As far as monetary policy is concerned, the year 2025 was a two-speed year. During the first half of 2025, the European Central Bank continued its path of reducing the three key interest rates, cutting them by 0.25% at each of the four relevant meetings, thus lowering the ECB deposit rate from 3% at the end of 2024 to 2% at the end of the first half of 2025. In the second half of 2025, the rates were not further changed so that the refinancing rate stood at 2.0% for the entire second half of 2025, closing the year at this level as well.

8.7 Listing of Financial Instruments Issued by the Bank on the Vorvel (Formerly Hi-MTF) Market

Since 27 December 2017, the shares of Cassa di Risparmio di Bolzano have been admitted to trading on the segment “Equity Auction” (formerly “order-driven equity”) of the multilateral trading system managed by Vorvel Sim S.p.A. (formerly Hi-MTF Sim S.p.A.). Starting with a price of EUR 11.20 at the end of December 2024, the share showed a generally upward trend during the first 9 months of the year, reaching the highest price ever recorded on the Vorvel of EUR 14.80. In the last months of the year, the price of the share then stabilised, closing the year 2025 at EUR 13.90, also representing the highest maximum end-of-year price since the share has been traded on a multilateral trading market. The total traded value on the Vorvel platform in 2025 also reached a new record of around EUR 8.3 million. The cumulative value traded on Vorvel from the beginning of the admission to trading exceeded EUR 38 million.

Please note that the shares of Cassa di Risparmio di Bolzano are listed in Gate 3 of the Vorvel Equity Auction Segment, *i.e.*, “the most dynamic Segment, characterised by a higher frequency of recalculation of the Reference Price. The ideal Segment for stocks with a good balance between buy and sell orders” (quote taken from Vorvel Sim S.p.A. website).

From 3 January 2018, on the other hand, senior bonds and non-convertible subordinated bonds with a minimum denomination up to and including Euro 100,000 issued by the Bank are admitted to trading on the "Vorvel Bonds" (formerly "order-driven bond") segment of the multilateral trading system managed by Vorvel. In 2025, a new senior bond was issued during the third quarter and placed directly via the Vorvel market. Limited to senior bonds, Banca Akros assumed the role of specialist from 2018 until the end of 2020. As from 1 January 2021, this role has been held by Equita Sim S.p.A..

8.8 Renewal of the Agreement for the Performance of Liquidity Support Activities for Shares Issued by the Bank Traded on the "Equity Auction" Segment (Formerly Order Driven) of the Multilateral Trading System Managed by Vorvel (Formerly Hi-Mtf) S.p.A.

With the new market model for the Vorvel "Equity Auction" segment having entered into force on 1 January 2024, the contract signed by Cassa di Risparmio di Bolzano and Equita Sim S.p.A., under which the Bank exclusively entrusted Equita with the performance of an activity aimed at supporting the liquidity of the shares issued by the Bank itself traded on the "Equity Auction" segment of the multilateral trading system managed by Vorvel Sim S.p.A., was updated to the new market context by first extending its duration to the end of the year 2025 and subsequently further extended to include the entire year 2026.

The agreement, in line with similar market transactions undertaken by comparable issuers, is based on the principles contained in the accepted market practice on liquidity support pursuant to Resolution No. 21318 of 7 April 2020, but does not constitute a liquidity support contract within the meaning of the aforementioned practice.

The liquidity support activity covered by the assignment takes place through the purchase and sale of shares on the Vorvel market by Equita SIM S.p.A., through the use of Bank's resources, in accordance with the prior approval issued by the Bank of Italy on 4 April 2025. The effects deriving from this activity falls exclusively on Sparkasse, which therefore assumes the related risk. Equita SIM S.p.A. operates independently, without instructional constraints by the Bank.

8.9 Authorisation by the Bank of Italy to Modify the Ceiling Reserved for the Partial Repurchase of Instruments Eligible for Inclusion in the Bank's Own Funds

On 4 April 2025, following the request made by Cassa di Risparmio di Bolzano, the Bank of Italy granted authorisation to amend the ceiling for the repurchase of instruments eligible for inclusion in CET1 (shares of the Bank), from the previous EUR 15 million to EUR 9 million.

8.10 EU Directives - Deposit Guarantee Scheme (DGS) and Crisis Resolution Fund (BRRD)

Single Resolution Fund (SRF) – BRRD

In 2023, the Single Resolution Fund completed the period for the ex-ante collection of the contributions requested to banks, having reached the target level set at 1% of total protected deposits. As a result, no contribution payments were required from the Bank in 2024 and 2025.

Deposit Guarantee Scheme (DGS)

Similarly to the Single Resolution Fund, the Interbank Deposit Protection Fund (FITD) also reached its target level for ex-ante coverage of protected deposits through the annual contribution calls to member banks. In the case of the FITD, the last payment within the scope of the ex-ante collection took place in July 2024, when the Bank paid a contribution of EUR 7,739 thousand.

According to the Interbank Fund Regulation, Consortium members shall annually pay ordinary contributions commensurate to the amount of the protected deposits, as well as to the degree of risk determined on the basis of an internal risk assessment methodology.

On 18 December 2025, the FITD sent the consortium banks a contribution request for the payment to the pool of financing banks and to the bank agent of the commissions for 2025 relating to the credit line granted to the FITD and as ordinary contributions to be allocated to the financial envelope of the FITD, also in light of the progress of the protected deposits. Sparkasse's amount due was EUR 555 thousand and was paid on 23 December 2025, while the amount of Banca di Cividale due was EUR 175 thousand and was also paid on the same date.

The achievement of the target level of coverage of the protected funds will also be monitored in the future by the FITD, which, in the event of drawdowns or a value no longer in line with the target, may issue further contribution calls to member banks.

8.11 Measure to Remove the Conditions Precedent to the Effectiveness of the Measures Taken on 24 May 2023 Authorising the Use of the Internal Credit Risk Measurement System "A-IRB"

It should be noted that on 24 June 2025, the Bank of Italy notified the Parent Bank of the removal of the conditions precedent to the effectiveness of the measures of 24 May 2023 authorising the use of the internal credit risk measurement system "A-IRB". Consequently, with effect from the figures relating to 30 June 2025, the Parent Bank is authorised to measure credit risk using a consortium AIRB model.

8.12 SPK CB – New Sale of Loans with Originator Banca di Cividale

On 23 May 2025, in the context of the programme for the issue of covered bonds by Cassa di Risparmio di Bolzano S.p.A., the special-purpose vehicle SPK OBG S.r.l. purchased, pursuant to and for the purposes of Article 7-quinquies et seq. of Law 130 and Article 58 of the Consolidated Banking Act (TUB), without recourse by Banca di Cividale S.p.A., a portfolio of performing mortgage loans represented by 1,333 transactions for a transfer value of approximately EUR 120 million.

The following table summarises the bonds that are part of Sparkasse's covered bond issuance programme as of 31 December 2025:

ISIN Code	Nominal amount	Duration	Rate	Rating
IT0005497141	300 million	08/06/2022-08/06/2028	Fixed at 0.50%	Fitch Ratings: AA
IT0005571028	250 million	28/11/2023-28/11/2027	Fixed at 3.00%	Fitch Ratings: AA
IT0005593279	250 million	24/04/2024-24/04/2029	Fixed at 3.25%	Fitch Ratings: AA

8.13 Rating

The Parent Bank does not currently have a public rating from one of the four largest international rating agencies.

8.14 Interim Dividend for the Financial Year 2025

On 4 November 2025, the Board of Directors of the Parent Bank resolved to distribute an interim dividend for the financial year 2025 pursuant to Article 2433-bis of the Italian Civil Code, for a total amount of approximately EUR 6 million (10.1 eurocent per share), which was paid on 27 November 2025.

8.15 2026 Budget Law – "Extra-profits" Reserve

With reference to the extraordinary contribution to the banks' net interest income introduced with Law Decree 104/2023 (converted with Law No. 136/2023), for which, at the time of the approval of the 2023 Financial

Statements, the Group's banks had decided to avail themselves of the option provided for in Article 26 paragraph 5-bis, i.e. to establish a non-distributable reserve instead of paying the extraordinary tax, binding respectively an amount of EUR 34,314,505 for Sparkasse and EUR 6,486,731 for Banca di Cividale, and the relative possibility of freeing the aforementioned reserve provided for by the 2026 Budget Law, by subjecting it to substitute tax, it should be noted that:

1. the two banks opted for the release of the non-profits reserve with a substitute tax of 27.5% of the existing reserve at the end of the current financial year as at 31 December 2025, which was submitted to the Board of Directors of the banks at their meetings of 10 February and 24 March 2026 for Sparkasse and 9 February and 24 March 2026 for CiviBank respectively;
2. the total cost of the substitute tax as at 31 December 2025 was EUR 9,436,489 for Sparkasse and EUR 1,783,851 for CiviBank; therefore, at consolidated level, the cost was EUR 11,220,340.
3. from an accounting point of view, given the interpretation shared by ABI and Assirevi in the Circular Letter of 19 January 2026, a liability against the obligation to pay the same tax in the amount of 27.5% is already recorded in the financial statements for the year 2025. It is also expected that the extraordinary contribution should be charged directly against equity, based on an analogous application of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the provisions of paragraph 61A of IAS 12, which requires tax to be recognised in line with the relevant item against which the tax is calculated. As a result, the equity and own funds determined for supervisory purposes for the sending of the report referring to 31 December 2025 are reduced by the amounts described above.

8.16 Ordinary Inspection of the Bank of Italy

On 14 October 2025, an ordinary inspection of the Bank of Italy began at the Sparkasse Group, aimed mainly at assessing the following areas: credit risk management and control, AML system and functionality of corporate bodies and governance and control systems. The inspection formally ended at the end of January 2026 and the Parent Bank is waiting to receive the final inspection report.

9 Subsequent Events after the End of the Year

In relation to the provisions of IAS 10, subsequently to 31 December 2025 and until the date of approval by the Board of Directors of this consolidated annual financial report on 24/03/2025, no events, facts or circumstances have occurred that have led to a change in the data approved at that time or that have led to subsequent material impacts on the Group's financial and economic situation.

The main events occurring after the end of the year are reported below.

9.1 Revenue Agency's Reply to the Anti-evasion Clearance Application Pursuant to Article 11, Paragraph 1, Letter c), Law no. 212/2000 with Reference to the Tax Aspects Related to the Reorganisation of the Real Estate Branch of CiviBank

It should be noted that, following the response obtained to an application submitted by the company of the Banca di Cividale S.p.A. Group in order to verify any possibilities of abuse of the right pursuant to Article 10-bis of Law no. 212/2000 concerning (i) the transaction of the contribution of the real estate branch to another company of the Group, Sparim S.p.A., completed during the financial year 2024, and (ii) the subsequent sale of the ownership interest resulting from the contribution to the Parent Bank, Banca di Cividale recognised in its separate financial statements 2025 the positive "fiscal" effect linked to the sale with "capital loss" of the ownership interest. Similarly, in light of the elements highlighted in the response to the application, with particular reference to the creation of

an undue tax advantage, consisting of benefits, even non-immediate, found in losses realised following the disposal of the real estate assets ("first-level assets"), the conferring company Sparim sterilised in its 2025 separate financial statements the deferred tax assets recognised against misalignments that could have emerged from the future disposals of these asset resulting from the contribution, recognising a negative item in the income statement.

As this is an intercompany transaction, the above-mentioned effects were neutralised in the 2025 consolidated financial statements of the Sparkasse Group.

9.2 Raetia SGR S.p.A: Crediting of Final Allocation "Diaphora 3" Reserved Closed-end Real Estate Investment Fund

With reference to the final allocation of the "Diaphora 3" reserved closed-end real estate investment fund, it should be noted that, in relation to the pro-rata VAT in 2015, Raetia SGR was subrogated to the Revenue Agency as it had proceeded, on 17 February 2023, to settle the related tax debt by paying EUR 959,843.00. For this amount, after updating the liability status, Raetia SGR was therefore admitted in subrogation and received at the time of final allocation a sum of EUR 715,457.19, which was reclaimed on 26 January 2026. This item is considered in the situation of the company Raetia as at 31.12.2025.

Based on the final financial statement figures, Raetia SGR may benefit from additional resources deriving from the repayment by the Revenue Agency of the VAT that will result as a credit of the Procedure at the time of the final declaration. This amount, which is not recognised in the company's financial statements as at 31 December 2025, could amount to just over EUR 100 thousand.

9.3 The Iran – USA Conflict

Despite the indirect talks that have been taking place for a few weeks between Washington and Tehran on nuclear and missile programmes, on 28 February, as a surprise, the United States and Israel jointly attacked Iran. In response to the attacks, Tehran targeted the military bases in the Middle East and the US allies in the region, closing the very important Strait of Hormuz, a crucial hub for the transportation of oil and gas (but not only) as around 20% of world consumption transits there. Oil and gas prices rose, reaching peaks of USD 119.50 per barrel and USD 74 per megawatt hour respectively in the following weeks. The surge in energy prices is weighing on global growth prospects, and fuelling fears of a rebound in inflation that central banks might be forced to respond to with a less accommodative monetary policy than was expected in February. The stock exchanges have therefore adjusted from the historic highs reached in February, with drops in part exceeding 10%. In contrast, government bond yields have surged in Europe, with inflation rising and several rate hikes by central banks. The effects of the conflict on the real economy will depend on the duration of the conflict that is not yet foreseeable. The management of the Cassa di Risparmio di Bolzano Group is continuously monitoring the evolution of the situation and the direct and indirect impacts on the national economy and its reference territories in order to put in place any mitigation actions. The Group's capital base and the hedging relationships for non-performing and performing loans allow for an adaptable approach to potential scenarios that may occur, ensuring adequate resilience within a reasonably foreseeable time horizon.

9.4 Issuance of an Eligible MREL Bond

Given the more stringent MREL requirements applicable to the Group as of 1 January 2029 and in order to increase eligible MREL liabilities on 10 March 2026, the Parent Bank Cassa di Risparmio di Bolzano issued its second senior preferred bond, placed to professional investors through Equita SIM S.p.A. The bond, of the nominal size of EUR 100 million, has a duration of 6 years and can be recalled at the end of the fifth year, after obtaining the necessary authorisations. For the first five years of its lifetime, the coupon amounts to 3.875%; in case of no early recall, the coupon of the sixth year will be equal to the 1-year IRS rate plus a spread of 1.45%.

10 Business Outlook

In 2026, the global economy is at the crossroads of persistent geopolitical tensions, with regional conflicts that continue to influence financial market growth prospects and stability. The crises in Ukraine and the Middle East, combined with trade friction between major economies, contribute to a climate of uncertainty that is reflected in investment decisions, employment dynamics and international monetary policies. The main multilateral institutions highlight how geopolitical risk is now one of the determining factors for economic volatility, with direct impacts on inflation, interest rates and global trade flows.

For 2026, the US GDP forecast remains moderately positive, with expected growth of around 2.1%, slightly above long-term potential. However, the Federal Reserve's restrictive monetary policy, initiated to contain inflation, has started to show signs of a slowdown in the labour market, with the unemployment rate expected to rise slightly compared to 2025, at around 4.2%. Inflation, after the peak of the previous two-year period, is expected to stabilise at around 2.3%, thanks to falling energy prices and easing wage pressures. Official interest rates will remain at high levels, with a gradual easing expected only in the second half of the year, depending on the evolution of the international context and market stability.

China faces 2026 with structurally slowing economic growth: updated estimates indicate an increase in GDP of around 4%, down from previous years. The international context, characterised by an increase in tariffs and a complex redefinition of value chains, penalises exports and highlights the weakness of domestic demand. The absence of incisive policies to stimulate private consumption and the still fragile real estate sector contributes to maintaining a relatively stable unemployment rate, but with a less dynamic labour market. Traditionally contained inflation remains below 2% for 2026 as well, while China's central bank prioritises an accommodative monetary policy to support liquidity and investor confidence.

After a weak 2025, the Eurozone shows signs of recovery in 2026, with GDP growth expected at 1.3%. The decline in inflation continues, bringing the ECB's 2% target closer, including through the cooling of commodity prices and the easing of external shocks. However, the labour market remains fragile: Unemployment remains high (around 7.2%), with marked differences between Member States. The ECB has started a gradual reduction in key interest rates, raising the deposit rate to 2% and maintaining a prudent approach to avoid inflationary pressures. The manufacturing sector, especially the automotive sector, continues to lose competitiveness compared to Asian producers; on the other hand, the construction sector and private investment benefit from monetary normalisation. Dependence on foreign demand is a point of vulnerability, while the moderate acceleration of private consumption offers partial support for growth.

Italy is part of this European context with GDP growth estimated at 0.9% in 2026, slightly lower than the Eurozone average. The recovery is mainly driven by domestic demand, while the foreign component remains conditioned by global uncertainties and loss of competitiveness in some key sectors. Employment shows limited growth, with an unemployment rate of around 8%, reflecting the structural weakness of the labour market. Inflation, after the strong volatility of the 2024-2025 two-year period, converges towards 2%, in line with the ECB's objectives. Interest rates, as a result of standardisation policy, favour a gradual recovery in investment property and moderate growth in credit, although demand for financing by businesses remains weak.

The European banking sector, and Italy in particular, is facing a complex macroeconomic framework, marked by declining interest margins and a growing focus on asset quality. The reduction in key ECB interest rates is transmitted to the cost of funding and credit, while weak investment limits demand for corporate financing. The most resilient banks are those that have invested in derisking, innovation and digitalisation, strengthening the relationship of trust with customers and pursuing sustainable growth even in the presence of declining revenue. Sparkasse focuses on operational efficiency, attention paid to customers and structural investment to address the challenges of a highly uncertain market. The Group's Business Plan, launched in 2024, aims to position the bank among the most solid in Italy, with a focus on sustainability and the ability to generate satisfactory profitability in the medium term.

In addition, the new three-year strategic plan of the bank and the group will be prepared in the second half of 2026, designed to face the new challenges that the geopolitical and macroeconomic scenario will entail with renewed incisiveness. This plan will represent a structural response to adaptation and innovation needs, laying the foundations for sustainable growth and competitive strengthening in the reference markets.

In 2026, the combination of geopolitical tensions, prudent monetary policies and sectoral transformations requires economic and banking operators to carefully manage the risk and a quality-oriented strategy. Major global economies face the new year with moderate growth prospects, controlled inflation, and interest rates that reflect the caution of central banks. In Europe and Italy, the recovery is fragile and depends on the ability to innovate and strengthen competitiveness, while the banking sector must seize the opportunities offered by digitalisation and sustainability to create value for all stakeholders and face the challenges of an uncertain global scenario with solidity.

Sustainability Statement

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11 Sustainability Statement

Part One: General Disclosures

General Disclosures

BP-1 – General Basis for Preparation of the Sustainability Statements

The Parent Bank has prepared this Consolidated Sustainability Statement (hereinafter also referred to as the “Reporting”), which includes, in accordance with the provisions, the information necessary for understanding the impact of the Group on sustainability issues and in what ways sustainability issues affect the Group’s performance, results and position.

This Reporting is the second to be prepared in accordance with the current regulatory framework introduced by Directive 2022/2464 of the European Parliament and of the Council of 14 December 2022 and EU Delegated Regulation No. 2023/2772 governing the European Sustainability Reporting Standards (“ESRS”). The aforementioned Directive was transposed into Italian law through Legislative Decree No. 125 of 5 September 2024.

In Delegated Regulation 2023/2772, 12 general standards were transposed, which apply to all undertakings subject to mandatory reporting on all ESG topics. They specify the information the Parent Bank is required to provide on its impacts, risks and opportunities in the three areas identified by the Directive, namely environment, social and governance.

The Parent Bank Cassa di Risparmio di Bolzano S.p.A. prepared this Sustainability Statement as part of the Management Report on a consolidated basis by including the data of the Parent Bank and its fully consolidated subsidiaries. Please note that CiviBank is exempt from the obligation to prepare the Sustainability Statement.

In particular, the scope of the Sustainability Statement is aligned with that of the consolidated financial statements, as shown in the following table.

Entities controlled by the Parent Bank	Operational office	Registered office	Shareholding relationship		Availability of votes %
			Investing company	Stake %	
1. Banca di Cividale SB S.p.A.	Cividale del Friuli (UD)	Cividale del Friuli (UD)	CR Bolzano S.p.A.	81.11	81.11
2. Sparim S.p.A.	Bolzano	Bolzano	CR Bolzano S.p.A.	100	100
3. Raetia SGR S.p.A. in liquidation	Bolzano	Bolzano	CR Bolzano S.p.A.	100	100
4. Dolomit Real Estate Fund in liquidation	Milan	Milan	CR Bolzano S.p.A.	96.82	-
5. SPK OBG S.r.l.	Conegliano Veneto (TV)	Conegliano Veneto (TV)	CR Bolzano S.p.A.	60	60
6. Fanes S.r.l.	Conegliano Veneto (TV)	Conegliano Veneto (TV)	CR Bolzano S.p.A.	0	0
7. Civitas S.r.l.	Conegliano Veneto (TV)	Conegliano Veneto (TV)	Banca di Cividale S.p.A.	0	0
8. Sparkasse Energy	Bolzano	Bolzano	Sparim S.p.A.	100	100

Note: On 9 December 2025, the subsidiary Sparkasse Haus S.r.l., which was already in liquidation, was formally wound up and cancelled from the Companies’ Register.

The aforementioned reporting principles require the inclusion in the Sustainability Statement relevant information on the Group’s upstream and downstream value chain defined as “the full range of activities, resources and relationships related to the undertaking’s business model and the external environment in which it operates”. Upstream actors (e.g. suppliers) provide the products or services used in the development of the Group’s products or services. Downstream entities (e.g. distributors and customers) receive the Group’s products or services. In light

of the requirements of the provisions, the Group has defined and implemented organisational and methodological solutions for the identification of its value chain and related relevant actors (for more information see the SBM-1 disclosure).

In the Group's materiality assessment of impacts, risks and opportunities, various representatives of the Group's stakeholders were involved, including the actors identified as relevant within the value chain.

In compliance with regulatory requirements, the Group intends to make use of the option not to provide the following disclosures with reference to the value chain for this reporting:

- information on policies, actions and targets in accordance with ESRS 2 and other ESRS; the Group therefore limits upstream and downstream value chain information to information available in-house, such as data already available to the undertaking and publicly available information; and
- metrics except for information elements from other EU legislation listed in ESRS 2, Appendix B, including Scope 3 emissions.

The above choices are the result of the Parent Bank's difficulties in obtaining all the necessary information on the upstream and downstream value chain, also in relation to the recent introduction of new regulatory requirements and the availability of reliable market data.

It should be noted that, when drafting this Reporting, the Parent Bank did not make use of: 1) the option to omit specific information corresponding to intellectual property, know-how or innovation results; 2) of any exemption from disclosure of information concerning upcoming developments or matters under negotiation, pursuant to Articles 19a(3) and 29a(3) of Directive 2013/34/EU, as implemented in Italy.

BP-2 – Disclosure in Relation to Specific Circumstances

In preparing this Sustainability Statement, the Group:

- adopted the definitions of "time horizons" provided in ESRS 1 section 6.4 "Definition of short, medium and long term for reporting purposes";
- does not provide, consistent with the transitional provisions, data and/or estimates concerning the value chain, with the exception of specific indicators expressly required by legislation;
- made use, as a rule, of the transitional provisions set out in the provisions for individual disclosure requirements where applicable to the Group.

The Consolidated Sustainability Statement includes a number of quantitative disclosures that are subject to measurement uncertainty, as the measurement principles contain estimated elements or are based on industry averages and other proxies used to make estimates.

For the purpose of a fair representation of performance and to ensure the reliability of the data, the use of estimates has been limited as much as possible, which, if any, are based on the best available methodologies and appropriately reported. Possible causes of measurement uncertainty related to quantitative metrics within the Sustainability Statement concern metrics related to energy consumption and the quantification of direct and indirect emissions ("ESRS E1-5 - Energy consumption and mix", "ESRS E1-6 - Gross scope 1,2,3 GHG emissions and total GHG emissions"). In particular, the Group used estimation and assumptions processes, based on the best information available, to calculate quantitative metrics relating to the value chain, with particular reference to Scope 3 greenhouse gas emissions, which by their nature are subject to higher estimates than Scope 1 and 2 greenhouse gas emissions, while using data calculated according to methodologies compliant with the reference standards, to ensure an adequate level of accuracy.

For the calculation of electricity and fossil fuel consumption, as well as the related direct and indirect emissions, where figures for the 12 months of the year are not available, they have been estimated on the basis of the current year.

For the quantification of indirect emissions (Scope 3), and in particular for category 13 "Downstream Leased Assets", an estimate was used that involves the association of an average emission coefficient (specific to the intended use of the building) multiplied by an area measured through property surveys.

For category 15 "Investments", estimates focused on the determination of surfaces, when not available, and the specific emission consumption of each property, based on Energy Performance Certificates, if available, or on the SIAPE database.

For the remaining categories, however, the degree of uncertainty is low.

Further details on the estimation methods adopted are set out in detail in the relevant paragraphs, to which reference is made.

Finally, in reporting forward looking information, including expected targets and future investments, uncertainties are inherent and, therefore, this information could be subject to changes.

At the time of preparation of the 2025 financial statements, a number of limited changes were made compared to previous years attributable to methodological refinement or data collection. In particular, information relating to social metrics S1-12 *Persons with disabilities* and S1-15 *Work-life balance metrics* has been restated with reference to the 2024 financial year. For further details on the changes made, please refer to Chapter 3.4. *Equal treatment and opportunities for all, table S1-12 e S1-15*.

This Consolidated Sustainability Statement does not include any additional information arising from applicable legislation, with the exception of information pursuant to Article 8 of Regulation (EU) 2020/852 of the European Parliament (please refer to the Disclosure pursuant to Article 8 of Regulation 2020/852 - EU Taxonomy Regulation). It is also specified that no disclosures have been included by reference.

GOV-1 – The role of the administrative, management and supervisory bodies

According to the Articles of Association, the Board of Directors of Cassa di Risparmio di Bolzano SpA may consist of a minimum of nine and a maximum of thirteen directors. The Shareholders' Meeting convened on 15 April 2025 appointed a Board of Directors composed of nine members, two of whom have assumed executive responsibilities; one holds the role of Chief Executive Officer and General Manager, while the second holds the position of Member responsible for anti-money laundering.

The current Articles of Association of the Parent Bank do not require the presence of an employee in the lists for the appointment of Corporate Bodies. Furthermore, it should be noted that the Italian legal system does not include the participation of employee and/or other workers' representatives in meetings of company bodies as a mandatory requirement. Consequently, there has been no such representation either within the Bank's corporate bodies or within the bodies of the subsidiaries.

The Board of Directors of the Parent Bank is made up of directors with diverse range of expertise from the territory of the Province of Bolzano, which historically involved into the Cassa di Risparmio di Bolzano. In fact, two directors carry out the activity of self-employed professionals (one accountant and one lawyer); three directors are business owners (one of whom is the General Manager in a multinational family group active in the multi-service sector, one is the manager and founder of a South Tyrolean company active in the field of high tech and professional timing, one manages and controls a company operating in the field of consulting in business organisation and in human resources); one director is a former international top manager of a car manufacturer; another director is a university professor (Professor in legal matters at the University of Innsbruck) and, of the two who are in paid employment, one is the General Manager of the Cassa di Risparmio di Bolzano and the second is the General Technical Director of Autostrada del Brennero SpA. The members of the Board of Directors have varying numbers of years in the role (from one year to 12 years of experience) and have gained significant knowledge of banking/financial products and services.

The Board of Directors is also adequately diversified in terms of gender; in accordance with the Articles of Association and Supervisory Provisions, the least represented gender has one third of the Board members. Specifically, the Board of Directors consists of five men (56.6%) and four women (44.4%). Therefore, the degree

of diversity of the Board of Directors, expressed as a percentage as the average gender ratio, more than meets the minimum percentage of 33.3%, required by the supervisory regulations.

The Articles of Association provide that at least one quarter of the Board of Directors shall be made up of directors who meet the independence requirements. The current membership includes three independent directors, representing 33.3% of the total number of Directors. The three Independent Directors also constitute the Risk and Sustainability Committee, which also has adequate gender diversity: two members are women and one is a man.

The Board of Statutory Auditors of the Parent Bank consists of three permanent members and two alternate members; all five of whom are representative of the Province of Bolzano, which historically evolved into the Cassa di Risparmio di Bolzano. The permanent members have different professional backgrounds. The Board of Statutory Auditors is composed of a statutory auditor who has many years of experience as the person responsible for auditing the financial statements of public interest companies ("EIP") and entities subject to an intermediate regime ("ESRI"), a university lecturer in economics and freelance chartered accountant, and a lawyer with experience gained in the banking sector (salaried employment relationship). The members of the Board of Statutory Auditors have varying numbers of years in the role (from a minimum of three years to a maximum of 12 years of experience) and have gained significant knowledge of banking/financial products and services. The Board of Statutory Auditors is adequately diversified in terms of gender by providing, in accordance with the Articles of Association and the supervisory provisions, in full compliance with the expected diversity. Specifically, the Board of Statutory Auditors consists of two female Permanent Auditors and one male Permanent Auditor. There is similar gender diversity among the Alternate Auditors (being one man and one woman), ensuring full compliance with the provisions of the law and Articles of Association. Therefore, the degree of gender diversity of the Board of Statutory Auditors, expressed as a percentage as the average ratio of female to male permanent members, is 66.6%.

The Cassa di Risparmio di Bolzano Group has been on a sustainability path for several years now. Meanwhile, the Bank of Italy first issued 12 expectations on climate and environmental risks ("Supervisory expectations on climate and environmental risks", April 2022), followed by two documents containing good practices for their implementation ("Thematic survey on the degree of alignment of LSIs with supervisory expectations on climate and environmental risks", December 2022 and "Action plans on the integration of climate and environmental risks in LSI business processes: main evidence and good practices", December 2023). In May 2025, Banca d'Italia published the update of the document "Plan of action on the integration of climate and environmental risks in the business processes of the LSI: main evidence and good practices". The Group has progressively incorporated the expectations of the Supervisory Authority and related best practices into its Group ESG Plan 2024-2026. The latter was shared with the Authority first in August 2024 and most recently in September 2025. The progress of the ESG Plan is being monitored quarterly by the ESG management committee & Sustainability, chaired by the Chief Executive Officer and General Manager of the Parent Bank and is periodically brought to the attention of the Parent Bank's Board of Directors and that of the subsidiary CiviBank.

Furthermore, since 2022, the Directors and Statutory Auditors have benefited from an ongoing training plan with the support of external consultants. Also in light of the above, the skills are adequate to support the identification and approval of the results of the Double Materiality exercise, particularly with regard to the identification and management of material impacts, risks and opportunities relating to sustainability matters. Senior managers annually undertake a self-assessment exercise to identify, among other things, any training needs. From this exercise, it consistently emerged that part of the yearly planned training should have been dedicated to ESG sustainability profiles, with a special focus on the integration of ESG factors into the Group's lending policies and general business activities.

As part of this process, the Board of Directors of the Parent Bank also resolved to further empower the Risk Committee, which, as at 02/07/2024, took on the new name of Risk and Sustainability Committee with duties including:

- adopting an advisory role in defining, updating and reviewing the strategic guidelines, medium-/long-term targets and quantitative targets of the ESG Plan including ESG risks and its subsequent amendments;
- overseeing the achievement of the Group's stated sustainability commitments, adopting a consultative/proactive approach in identifying actions, interventions and activities aimed at achieving them;
- communicating to the Board of Directors of any critical issues in the achievement of the strategic guidelines, the medium-/long-term targets and the declared quantitative targets emerging from the periodic oversight of the monitoring of such targets.

The Board of Directors of the Parent Bank takes into account the integration of environmental, social and governance (ESG) factors when defining corporate strategies. Specifically, the Board of Directors approves the sustainability strategy, the Group ESG Plan and related sustainability targets with an approach aimed at creating sustainable value over the long term. In addition, the Board of Directors approves the regulations governing the process for the preparation of the Sustainability Statement as well as, on an annual basis, the same reporting included in the Management Report.

In order to prepare the Sustainability Statement, the Board of Directors approves, in good time, the results of the analyses performed on the value chain and the Double Materiality assessment, as well as the related findings in relation to material impacts, risks and opportunities.

In these activities, the Board of Directors is supported by the internal Board Committee for Risk and Sustainability.

The Board of Statutory Auditors monitors, with the support of the control functions, the correct application of the legal provisions on Sustainability Statement and the adequacy, completeness, functionality and reliability of the internal control system and the risk management and control system, including sustainability risks.

In order to ensure timely monitoring of the progress of ESG projects, the following organisational solution was adopted:

- The ESG & Sustainability Committee (a management committee), composed of the ESG Officers and the Heads of the main Divisions and Departments involved in the implementation of the activities in the ESG Plan. The Committee meets at least once every six months and is chaired by the Chief Executive Officer. The Committee oversees and steers sustainability strategies, assessing the impact of initiatives and integrating ESG criteria into business decisions;
- The ESG & Sustainability Department, reporting directly to the Chief Executive Officer, which is responsible for implementing the strategic guidelines relating to sustainability, making use of the other corporate Functions of the Parent Bank and other Group Entities in respect of its remit;
- ESG Officers, employees chosen from within the Group's main Divisions and Departments to operationally integrate ESG factors into the work of their Division or Department. Compared to the previous year, additional ESG Officers were appointed in 2025 to increase the dissemination of knowledge and collaboration to achieve the objectives. As at 31 December 2025, 19 ESG Officers were included in the Group, across the various company functions.

As a Benefit Company, the subsidiary CiviBank has identified an Impact Manager, who oversees the achievement of the common benefit targets for the Bank and reports on their achievement annually through the preparation of the Impact Report.

In light of the above, the integration of ESG principles into corporate strategies is based on a multilevel governance structure that can provide the continuous monitoring of sustainability initiatives and compliance with the regulatory framework. The Board of Directors, with the support of the internal Risk and Sustainability Committee

and managerial ESG & Sustainability Committee, ensures that sustainability targets are aligned with the Group's overall strategic plan.

It is also through these governance mechanisms that the Group intends to ensure transparent reporting on sustainability, in line with best practice and stakeholder expectations.

GOV 2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Boards of Directors of Sparkasse and CiviBank and the Parent Bank's Risk and Sustainability Committee are regularly informed of the progress of the ESG Plan and its key indicators ("KPIs"), as well as the results of the Double Materiality assessment or the material impacts, risks and opportunities. In addition, the Risk Management Function reports to the corporate bodies, as part of the quarterly Risk Dashboard, the findings of the analysis of the Credit portfolio's exposure to physical and transition risk and the portfolio of own securities mapped by ESG Rating, and the outcome of the monitoring of RAF limits and operational limits connected to ESG issues, with particular attention paid to climate and environmental risks.

Furthermore, in 2025, in compliance with the role and responsibilities set out, various sustainability issues were submitted to the corporate bodies of the Parent Bank and, where relevant, of the subsidiaries, which implicitly consider all the relative impacts, risks and opportunities (IRO) and include: policies and strategies, target and action planning and monitoring, climate and environmental risk, compliance and audit checks, sustainability reporting and training.

The progress of the ESG Plan, as well as the Double Materiality assessment and its results, are monitored at least every six months by the ESG & Sustainability Committee, chaired by the Chief Executive Officer and General Manager of Sparkasse.

Sustainability issues are also addressed by the Board of Statutory Auditors at its meetings and in compliance with the planning adopted by the same Board. Furthermore, the Statutory Auditors attend the meetings of the Risk and Sustainability Committee and Board of Directors of the Parent Bank.

GOV-3 – Integration of sustainability-related performance in incentive schemes

Remuneration and incentive policies are a fundamental tool to support the Group's medium- and long-term strategies. These policies are defined with the aim of creating value over time and pursuing sustainable growth for all stakeholders, and are aimed at:

- attract and retain qualified personnel and aligned with the Group's values;
- encouraging staff to work towards the company's objectives by recognising performance and merit, safeguarding the company's principles of stability and mitigating potential conflict of interest situations;
- promoting efficiency and effectiveness in the organisation;
- supporting the dissemination and sharing of Group values, as defined in the new Code of Conduct, developing a sense of teamwork and belonging.

In compliance with the Supervisory Provisions, the Parent Bank has defined specific procedures on remuneration and incentive policies and practices for the Group, ensuring their overall consistency, providing the necessary guidelines for their implementation and verifying their correct application.

The remuneration and incentive policies of the Group for 2025 were approved by the Shareholders' Meetings of Banca di Cividale S.p.A.-Società Benefit (CiviBank) and Sparkasse on 14 and 15 April 2025, respectively. The approval of remuneration and incentive policies by Shareholders' Meetings is intended to increase shareholder awareness and monitoring of the overall costs, benefits and risks of the chosen remuneration and incentive system.

In accordance with the supervisory provisions, Cassa di Risparmio di Bolzano S.p.A., in its capacity as Parent Bank, drafts the remuneration and incentive policies for the entire Group (including the banking subsidiary CiviBank), ensures their overall consistency, provides the necessary guidelines for their implementation and verifies their correct application.

The Group's Banks incorporate Group Policies and, in compliance with the guidelines defined by the Parent Bank, adopt their own, submitting them on an annual basis for approval by their respective Boards of Directors and Shareholders' Meetings, subject to compliance verification by the relevant Parent Bank corporate functions. The individual Group Banks and Companies remain nonetheless responsible for compliance with the regulations directly applicable to them and for the proper implementation of Parent Bank guidelines.

For 2025, as in previous years, an approach inspired by the principles of financial sustainability of the variable component was continued, including through the structure of the entry criteria, which inherently presupposes the verified quality of the results achieved and the consistency with the limits envisaged in the reference framework for determining the risk appetite (the "Risk Appetite Statement" or "RAS").

The remuneration policies adopted by the Group are drawn up, implemented and maintained in line with strategic objectives, sustainability risks and criteria related to capital strength and liquidity. The policies reflect governance objectives and the creation of sustainable, long-term value for shareholders and ensure that the Group is able to attract, develop and retain qualified, motivated and sustainability-oriented employees.

In particular, the integration of environmental, social and good governance (ESG) principles within the remuneration system is motivated by the awareness that these principles are an essential element in guiding decision-making processes towards the promotion of sustainable topics in the medium and long term.

Defining strategic ESG targets and monitoring sustainability risks in the Group's activities not only supports the transition to a sustainable economy, but also creates value for businesses and enhances the Group's reputation in the market. Therefore, in line with the defined ESG strategic targets, the Group incorporates the following into the principles applied when defining the variable staff remuneration:

- a commitment to aligning performance with corporate goals and values and long-term ESG strategies;
- the appropriate balance between economic and non-economic, qualitative and quantitative targets, depending on the role, with a particular focus on sustainability topics.

In line with the ESG 2024-2026 Plan, therefore, and with the Group's broader ESG strategic targets, targets for the achievement of plan actions are assigned to each Division/Department/Service owner of the individual initiatives and to all the structures involved in the process (of the Parent Bank and of the individual subsidiaries) - and assessed annually by the Chief Executive Officer and the Board of Directors.

Therefore, from the 2025 financial year, as part of the annual performance review process, as provided for in the Plan and already applied to Top Management, i.e. the Material Risk Takers as defined in the remuneration policies in force from time to time, a new obligation has been introduced for all relevant managers to allocate Middle Management (identified in the professional figures of Service Manager, Area Manager and Unit Manager) with at least one performance target that is related to ESG.

The Group pays great attention to the issues of "Diversity, Equality & Inclusion" and is constantly striving to implement and disseminate, within and outside the Group, a policy in favour of the inclusion of all forms of diversity. In this sense, the Group's remuneration policies also reflect principles of neutrality and ensure, where the same activity is performed, that staff have an equal level of remuneration, including in terms of the conditions for its recognition and payment, in implementation of the EBA guidelines on sound remuneration policies. In particular, the Group ensures that the definition of remuneration and incentive systems and remuneration decision-making are free of bias with regard to gender or any other form of diversity, and are based exclusively on the merit and professional skills of employees, according to a principle of fairness.

In order to make it possible to apply gender-neutral policies and to assess their effectiveness, the Group Companies have so far adopted:

- systems for collecting data on the characteristics of organisational positions that take into account the responsibilities and complexity managed by the different roles, by participating in sector pay surveys;
- comparisons with market wage benchmarks;
- incentive/reward systems linked to objective parameters that allow for the recognition of merit and performance.

The gender pay gap is analysed and monitored at Group and company level. The Resources Committee's responsibilities also include monitoring all the issues related to inclusion, gender equality and integration, and equal opportunities, also with a view to identifying, investigating and managing any form of non-inclusiveness.

Finally, as part of the regular and annual review, the Parent Bank's Board of Directors analyses the gender neutrality of remuneration policies and verifies the Gender Pay Gap and its evolution over time at Group and Parent Bank level. To this end, the Bank identifies the ratio of the average remuneration of staff of the most represented gender to that of staff of the less represented gender, distinguishing between the most relevant and the remaining staff and excluding from the calculation the remuneration of the members of the body with strategic supervisory and management functions, for which the ratio is calculated separately from the previous ones, and, where significant differences emerge, documents the reasons for the gender pay gap and takes appropriate corrective actions.

Similarly, the Board of Directors of the individual Group Companies will also have to analyse the gender neutrality of the remuneration policy and verify the Gender Pay Gap and its evolution over time at the Company level, documenting the reasons for the gap, where relevant, and taking appropriate corrective measures.

In order to improve the analysis and quality of monitoring, also as a result of the subsidiary CiviBank joining the Group in 2022 and its ongoing integration process, the Group has adopted a position classification system at Group level since 2024.

Finally, the process of obtaining the "Gender Equality Certification" for the Cassa di Risparmio Group of Bolzano was completed, a PNRR (National Recovery and Resilience Plan) initiative owned by the Department for Equal Opportunities of the Presidency of the Council of Ministers.

The remuneration and incentive system is built internally on the basis of contractual provisions, as well as principles of fairness and recognition of merit; organisational positions are periodically analysed and evaluated, using standard methodologies and market benchmarks.

The variable component of remuneration is mainly based on performance measurement over annual time horizons. The aim is to involve staff in company strategies, through the definition of quantitative and qualitative targets to be achieved through individual and team contributions.

The 2025 bonus system involved all the company structures, both Network and Management, with the exception of Key Persons and Executives, providing for the assignment of specific targets and the consequent remuneration against their actual achievement, within the limits of available resources, with transparent and measurable criteria, according to principles of fairness and recognition of merit.

Objectives are divided into **corporate objectives** (defined for management roles only), **performance objectives** - individual, by business area (for all system recipients), and **managerial objectives** (for coordination roles only).

As part of the key performance objectives for staff, the 2025 remuneration and incentive policies envisaged, within the performance objectives, the assignment of at least one sustainability objective, of a qualitative-quantitative type, consistent with the KPIs defined in the Group's strategic plan, representing between 5% and 10% of total variable remuneration.

In line with the Group's sustainability strategy and based on the ESG Plan 2024-2026, the sustainability targets assigned are intended to promote an impact for each of the three ESG factors:

Environmental

- Continuation of initiatives aimed at reducing the Group's direct emissions and self-generation of renewable energy (ref. Scope 1 and 2)
- Calculation of the Group's greenhouse gas emissions, including those from banking activities (ref. Scope 3)
- Development of the commercial offer, to support the Group's customers in their sustainability journey and promote both environmental and social impacts

Social

- Development and strengthening of staff skills at all levels, including through training and change management initiatives on sustainability
- Continued promotion of a working environment based on equality, diversity and inclusion principles
- Promoting social impact initiatives for communities in the Group's territory

Governance

- Progressive updating of internal policies and regulations to formalise commitments and processes in the area of sustainability
- Upgrade of IT systems and data enrichment to integrate ESG factors, also with a view to developments in the Sustainability Statement under the Corporate
- Sustainability Reporting Directive
- Progressive integration of tools and methodologies for identifying, measuring and monitoring ESG risks.

GOV-4 - Statement on due diligence

Due diligence is the process by which the Group identifies, prevents, mitigates and accounts for how it addresses the actual and potential adverse impacts on the environment and people connected with its business. Due diligence is an ongoing practice that responds to and may trigger changes in the undertaking's strategy, business model, activities, business relationships, operating, sourcing and selling contexts.

The Group's due diligence process is not an autonomous procedure, as it is integrated into the overall corporate system and, therefore, formalised in the specific internal procedures (regulations, policies, etc.) governing the Group's activities, including its control activities. This integrated approach ensures that due diligence is an integral part of the Group's activities with particular reference to the identification and management of adverse impacts.

Furthermore, through the Double Materiality assessment carried out in 2025, the Group identified the list of positive and negative impacts related to the various sustainability matters and subsequently assessed them in terms of materiality. The results of this assessment were submitted to the Parent Bank's Board of Directors and, therefore, represent the basis for ensuring due diligence through their integration into the overall corporate system, including in terms of governance and strategies.

The adverse impacts (actual and/or potential) for people and/or the environment that are identified as material are reported per sustainability topic within the specific paragraph on each of them (please refer to the relevant

paragraphs for more details). The procedures adopted to identify, prevent, mitigate and report on these negative impacts are described in this context.

The main due diligence disclosures are set out in this statement in the paragraphs listed in the table below:

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENTS
a) Embedding due diligence in governance, strategy and business model	Part One: General Disclosures – SBM 1 Part One: General Disclosures – GOV 1 Part One: General Disclosures – GOV 2 Part One: General Disclosures – GOV 3 Part One: General Disclosures – GOV 5
b) Engaging with affected stakeholders in all key steps of the due diligence	Part One: General Disclosures – SBM 2
c) Identifying and assessing adverse impacts	Part One: General Disclosures – SBM 3 Part One: General Disclosures – IRO-1 Part Two: Environmental Disclosures – Climate Change Part Three: Social Disclosures – Own workforce Part Three: Social Disclosures – Affected Communities Part Three: Social Disclosures – Consumers and end-users Part Four: Governance information
d) Taking actions to address those adverse impacts	Part Two: Environmental Disclosures – Climate change Part Three: Social Disclosures – Own workforce Part Three: Social Disclosures – Affected Communities Part Three: Social Disclosures – Consumers and end-users Part Four: Governance information
e) Tracking the effectiveness of these efforts and communicating	Part Two: Environmental Disclosures – Climate change Part Three: Social Disclosures – Own workforce Part Three: Social Disclosures – Affected Communities Part Three: Social Disclosures – Consumers and end-users Part Four: Governance information

GOV-5 - Risk management and internal controls over Sustainability Statement

The internal control system defined by the Parent Bank to comply with the total supervisory provisions necessarily also applies to the organisational procedures defined for the preparation of Sustainability Statement.

In summary, the Group has over time defined and updated its system of internal controls and risk management, which represents a fundamental element of the Group's overall corporate system. This system is organised to improve profitability, protect capital strength and ensure compliance with external and internal regulations and codes of conduct. In this way, transparency towards the market is promoted through the monitoring of risks assumed by the Group and, more generally, it is ensured that corporate activities optimally align with the Group's strategies and risk appetite statement.

The internal control system consists of the set of rules, procedures and organisational structures, which enable the Group to achieve the following targets:

- ensuring compliance with corporate strategies and policies;
- containing risk within the limits indicated in the Group's risk appetite framework (RAF);

- preventing the risk of the Group becoming involved, even inadvertently, in unlawful activities (particularly activities related to money laundering, usury and terrorist financing);
- achieving effectiveness and efficiency in business processes;
- safeguarding the value of assets and protecting against losses;
- ensuring the reliability and security of corporate information and IT procedures;
- ensuring compliance of operations with the entire existing regulatory apparatus.

In compliance with the provisions, the main types of controls are represented by:

- *line controls ("first-level controls")*. These safeguards pertain to day-to-day operations and are included in the operational processes to ensure the proper execution of transactions.

Where possible, the controls are incorporated into IT procedures and are the responsibility of the operational structures, which are primarily responsible for the risk management process. They are defined and formalised in internal operating procedures.

- *risk and compliance controls ("second-level controls")*. Second-level controls include risk management and compliance activities and anti-money laundering risk procedures. The aim of these controls is, inter alia, to ensure:
 - the proper implementation of the risk management process;
 - compliance with the operational limits assigned to the various functions;
 - compliance of company operations with standards, including those involving self-regulation.

The second-level control functions are independent of their assumption and management (production and management units) and are subject to internal audit.

- *internal audit ("third-level controls")*. Internal Audit is responsible for detecting management anomalies, breaches of procedures and internal regulations, and assessing the adequacy, completeness, functionality and reliability of the internal control system.

As outlined in the description of the Double Materiality assessment process, the Risk Management Function participates in the identification of risks associated with the various sustainability issues, taking into account the results of the risk mapping process, and, where appropriate, performs a reconciliation of the risks associated with the various sustainability topics against those identified in the overall risk mapping process. For this reason, the descriptions of the risks identified with reference to individual issues are subject to prior verification by the Parent Bank's Risk Management Function for possible additions and/or revisions. In addition, the Risk Management Function participates in defining the methodology for conducting the financial materiality assessment of individual risks, taking care to ensure consistency with the overall risk management and governance system (RAF). In this context, the results of the "first level" internal assessment on the financial materiality of the risks are subsequently reviewed by the Risk Management Function, which, if deemed appropriate, may also make adjustments to take into account the results of its own audits.

In compliance with the organisational and documentary model adopted by the Group, regulations have been prepared to govern the overall process of preparing the Consolidated Sustainability Statement, as well as the roles and responsibilities attributed to the corporate bodies and functions involved. These "Sustainability Reporting" Regulations were approved by the Board of Directors of the Parent Bank. In summary, the process governs the criteria to be followed and the specific activities for the preparation of Sustainability Statement, as well as the roles and responsibilities assigned to the Bodies and Corporate Functions involved. In accordance with the organisational and documentary model adopted, the aforementioned regulations are subject to prior verification by the Compliance Function in order to ascertain their compliance with the relevant provisions.

Following this verification, the Compliance Function prepares a specific memo that it submits to the corporate bodies prior to approval of the Regulation.

As provided for in the regulation, the specific corporate functions responsible for preparing the disclosures required by the provisions are identified in advance. These corporate functions retain the appropriate evidence (sources, processing, etc.) used to prepare the disclosures and are responsible for monitoring, to the extent of their competence, risks such as the completeness and integrity of data, the accuracy of estimated results and, where relevant, the availability of data on the upstream and/or downstream value chain and the timing with which the disclosures are made available.

Therefore, each corporate function carries out a self-assessment of the compliance of the content prepared with the provisions; in this context, if full compliance with the provisions is not possible, it provides the appropriate reasons and a potential plan for improvement. This self-assessment is a prerequisite for the Internal Control Functions (Compliance and/or Internal Audit) to carry out any checks within their remit.

Moreover, the procedures, in compliance with the provisions of the overall internal control system adopted by the Parent Bank, are subject to periodic checks, to the extent of their competence, by the Compliance Function and the Internal Audit Function, in accordance with the schedule of activities adopted by the aforementioned corporate functions. In any event, the procedures adopted may need to be updated in line with changes in the regulatory and operational environment, as well as the results of the same checks carried out by the relevant Internal Control Functions.

The Organisation Service, in conjunction with the ESG & Sustainability Service, identifies the need to strengthen the reporting process, on the basis of the results of the planned controls, defining the related improvement plan with the support of the relevant corporate functions involved in its actual implementation. This improvement plan is included in the broader "Group ESG Plan". This Plan is subject to approval by the Parent Bank's Board of Directors and to periodic monitoring, the results of which are reported to the corporate bodies.

Once the draft Sustainability Statement has been prepared, the Compliance Function ascertains the conformity of the activities specifically carried out by the competent corporate functions involved in the procedures on the basis of the results of the self-assessment carried out by the aforementioned functions. The results of these checks are formalised in a specific memo sent to the corporate bodies.

Furthermore, in compliance with the provisions of Italian Legislative Decree No. 125/2024, the Parent Bank's Board of Statutory Auditors monitors the provisions of the aforementioned legislative decree and reports on them in its annual report to the Shareholders' Meeting, within the scope of the functions assigned to it by the law.

The Board of Statutory Auditors monitors and supervises the statutory audit and internal control system. In particular, the Board of Statutory Auditors: a) informs the Board of Directors of the outcome of the activity related to the assurance report; b) monitors the process for the Sustainability Statement, including the use of the electronic format; c) monitors the effectiveness of the internal quality and risk management control and internal audit systems related to the Sustainability Statement; d) monitors the assurance report and the independence of the auditor.

As with other processes concerning the preparation of specific disclosures, the Sustainability Statement process also exposes the Group to the following main risks: regulatory non-compliance risk, reputation risk and IT risk. Generally speaking, the Group, taking into account the overall provisions applicable to it, manages the risks under consideration on the basis of specific internal provisions, which, therefore, also apply to the relevant aspects of the reporting process. As such, the main risk mitigation tool under consideration is the internal control system, i.e. the overall set of rules, procedures, organisational structures and controls defined for the Sustainability Statement process.

The system of reporting on the results of controls carried out by the Internal Control Functions vis-à-vis the corporate bodies is governed by the specific provisions governing the activities of those Functions. On a routine basis, these procedures require reporting on the results of its audits to be provided to the corporate bodies on a quarterly basis. Furthermore, at the end of the management cycle, i.e. annually, the corporate control functions:

- submit to the corporate bodies a report on the activity carried out, illustrating the checks performed, the results, any weaknesses detected and proposing the measures to be taken to address them;
- prepare a report, each for the aspects within its remit, on the completeness, adequacy, functionality and reliability of the internal control system.

To the extent applicable and in the terms described above, the results of the checks carried out on the reporting process by the Internal Control Functions are appropriately reflected in the disclosures described above.

SBM-1 – Strategy, business model and value chain

Products, services, sectors and markets

The Sparkasse Group conducts its banking business through its Parent Bank, Cassa di Risparmio di Bolzano, and its subsidiary CiviBank; through the other subsidiaries it also mainly provides real estate services that are used by the Group.

The Parent Bank is a regional bank with strong ties to its territory and a vision oriented towards sustainability and innovation. With its roots in Alto Adige, the Bank continues to expand in Trentino, Veneto, Friuli-Venezia Giulia and Emilia-Romagna. It is known for its service model based on proximity to customers and the quality of its financial services; the acquisition of CiviBank Società Benefit has strengthened this vision, enlarging its customer base and further integrating Environmental, Social and Governance (hereinafter also “ESG”) principles into its banking model. The Sparkasse Group is committed to creating sustainable and lasting value for all its stakeholders with a strong local presence and an innovation and sustainability-oriented approach.

The Group has a network of 172 branches and more than 1,900 employees, and has consolidated its position as the leading independent banking group based in the Triveneto region, developing a strategy focused on sustainable growth and value creation for the community. Sparkasse and CiviBank share the goal of combining economic growth and positive social impact, respecting the local cultural characteristics and promoting transparent and responsible finance. The relationship with more than 300,000 customers is central and translates into a constant commitment to quality, innovative and sustainable services. The Group's founding values, such as honesty, impartiality, legality, transparency, excellence, respect and team spirit, guide every activity and are enshrined in its Code of Ethics and in the policies adopted on sustainability.

Cassa di Risparmio di Bolzano SpA operates in three main areas:

- Commercial Banking, the bank's core business, with around 200,000 customers, including private individuals and small and medium-sized businesses, who are looked after by specialised advisors to ensure a professional and personalised service.
- Private and Corporate Banking, a single department coordinating two networks: one dedicated to financial advisory for private customers with complex financial needs and another for medium-sized and large businesses, offering sophisticated financial services, including structured financing and internationalisation.
- Virtual Advisory, which since 2021 has been providing remote assistance alongside the physical network, improving the customer experience and also managing former Dolomiti Direkt customers and new customers acquired online.

The products/services related to sustainability topics are described in the following section 6.1 “Sustainable Finance”.

The subsidiary CiviBank, which operates in nine provinces in Friuli-Venezia Giulia and Veneto, embarked on a commercial reorganisation in 2023 to improve specialisation and alignment with the Parent Bank. This was completed in 2024 and fully operational in 2025.

The Group's property assets are wholly owned by Sparim S.p.A., which in addition to carrying out support activities for the Parent Bank in terms of management of the property component used in banking activities (Facility

Management, Property Management, etc.), handles the valuation of the portfolio of properties held for investment purposes. Furthermore, through its subsidiary "Sparkasse Energy", the Group produces energy from renewable sources to cover the energy consumption – and related CO₂ emissions – of the entire Group.

Business model and value chain

The business model is developed around three fundamental pillars: simplicity and efficiency, proximity to the territory and technological innovation. The combination of these elements makes it possible to offer tailor-made financial solutions for households, businesses and local institutions, while ensuring smooth, omni-channel access to banking services. Process optimisation and digitalisation facilitate access to services, while proximity to the customer and customisation of the offer allow a targeted response to local needs. Investments in artificial intelligence, automation and digital banking improve the customer experience and increase operational efficiency.

Furthermore, the business model is based on an ESG approach integrated into business processes, with a focus on the climate transition, social inclusion and corporate transparency. 2025 ended with consolidated revenues of EUR 415 million and a net profit of EUR 88 million. The Sparkasse Group is not active in fossil fuels (coal, oil, gas), in the manufacture of chemicals, controversial weapons or in the production of tobacco, in line with the policies adopted and risk management; it therefore did not generate any revenues in such activities.

The Group's value chain is developed through a business model that combines the sourcing of funding, the responsible management of credit and the creation of innovative solutions for the territory, in which the Bank acts as a bridge between savers, businesses and institutions, fostering local economic growth and the transition to a more sustainable economy. In particular:

- upstream, it focuses on sourcing funding through deposits, market instruments and sustainable finance, with strict ESG criteria to ensure responsible capital allocation;
- internally, the focus is on human resource development, digitalisation of processes and integration of ESG strategies;
- downstream, efforts are aimed at supporting the economic and social fabric, through targeted funding for individuals, SMEs, tourism, agriculture, the energy transition and financial inclusion.

The efficiency of the value chain is based on the combination of financial stability, innovation and social impact. The Group not only provides banking services, it also plays an active role in the sustainable growth of the region, promoting responsible investments and fostering the creation of shared value for customers, stakeholders and communities. With this strategy, the Group strengthens its role as a reference bank for the sustainable growth of the territory in which it operates.

None of the Group's products or services are prohibited in the markets in which it operates.

The Group is not active and does not operate directly in the fossil fuel business, i.e. it does not generate revenues from the exploration, extraction, production, processing, storage, refining or distribution, including transport, storage and trading, of fossil fuels.

With reference to the breakdown of total revenues, reported in the financial statements, for the significant ESRS sectors and the listing of the additional significant ESRS sectors, since these are transitional requirements that presuppose the adoption of the "*ESRS sector specific standards*" (not yet published), the Group is not reporting on them at this stage.

Sustainability-related goals in terms of products, services, customers and markets

The Sparkasse Group wants to be a point of reference on the path towards sustainability in the region, striving to create positive impacts, thereby reducing negative impacts for its stakeholders, and balancing economic performance and the interests of shareholders and investors, the environmental and social needs of customers, employees, suppliers, business partners, the region and the whole community.

In addition, the subsidiary CiviBank, as a “Benefit Corporation”, intends to pursue purposes of common benefit and sustainable development in the medium-long term, operating responsibly and transparently towards people, communities, territory, environment, organisations, associations, workers, customers and other stakeholders.

Taking into account its *stakeholders*, the Group has defined specific commitments in its Sustainability Policy. This policy is part of the policy framework guiding strategic actions on sustainability, defining commitments for the different topical areas:

- Ethical and transparent conduct of business for shareholders and investors
- Creating value for customers
- Human capital development
- Responsible management of suppliers and business partnerships
- Sustainable territorial growth and support for local communities
- Environmental protection

The commitments listed translate into concrete activities within the ESG Plan 2024-2026, which the Group continued to work towards during the year, achieving significant results in integrating ESG factors into its operations. The ESG Plan has several areas of focus, including risk and compliance, data modelling and reporting, credit, finance and investment, real estate and operations, training, organisation and communication. In addition, within the Business Plan, the Group has identified the tourism supply chain as a strategic target to promote the sustainable transition.

In fact, the Horizon 2026 Business Plan incorporates the Group's sustainability strategy and targets in the three ESG areas - Environmental, Social and Governance. The Group's strategic path towards sustainability has three key priorities:

- Environmental sustainability: concern for the environment has become a central issue for the Group, which is serving its customers in the climate transition, offering sustainable financing instruments and supporting projects aimed at reducing the carbon footprint of the region;
- Inclusion and social development: through targeted investments in training and socio-cultural development, the Group contributes to the growth of local community members, fostering financial inclusion and access to credit for households and businesses;
- Governance and operational resilience: the Group has established a robust governance structure in which ESG factors are integrated into decision-making processes and data, ensuring transparency and rigorous reporting of results.

The Group has demonstrated its concrete commitment to sustainability through clear and measurable targets:

- 50% of new residential mortgages to be allocated to energy-efficient buildings by 2026, incentivising the renovation of the building stock and reducing energy consumption;
- EUR 5 million invested in community and territorial support activities to promote social cohesion and local development in the three-year period 2024-2026.
- Definitions of ESG targets for senior and middle management by 2025 to ensure strong alignment between governance and sustainability strategies.

The Group offers a wide range of products and services, including transaction products, credit solutions, financial advisory, investment management, digital payments and insurance cover. Through its range of products and services, the Group intends to strengthen its commitment to a sustainable development model.

Innovation plays a key role in the Group's strategy. Investments in artificial intelligence, process automation and advanced digital solutions improve the customer experience and optimise operational efficiency. In addition, the Group has embarked on a profound transformation of its technology infrastructure, with the aim of integrating predictive analysis tools and improving risk management.

Taking into account the Group's business model, the stakeholder categories belonging to the value chain are listed below:

POSITION	STAKEHOLDER CATEGORY
Upstream value chain	– Shareholders – Institutions – Suppliers – Business partners
Own operations	– Employees
Downstream value chain	– Customers – Community and environment

For each of these categories, sub-categories have been identified to further specify the stakeholder groups pertaining to the Group, specifying whether they are upstream or downstream in the value chain.

SBM-2 – Interests and views of stakeholders

The Sparkasse Group periodically involves its stakeholders in the process of assessing impacts, risks and opportunities in preparation of its Sustainability Statement. The outcome of this involvement is also one of the inputs that make up the strategic and sustainability analyses on which the sustainability process is based, which in turn is an integral part of the broader strategic planning process.

For the Sparkasse Group, stakeholders are those who can exert influence on the Group or can be affected by it.

There are two main groups of stakeholders:

- affected stakeholders: individuals or groups whose interests are affected or could be affected – positively or negatively – by the Group's activities and its direct and indirect business relationships across its value chain; and
- users of sustainability statements: primary users of general-purpose financial reporting (existing and potential investors, lenders and other creditors, including asset managers, credit institutions and insurance undertakings), and other users of sustainability statements, including the Company's business partners, trade unions and employer/employee representative bodies, civil society and non-governmental organisations, public administrations, analysts and academics.

In connection with the above, the Parent Bank mapped the stakeholders involved in the Group's activities and business relationships. In this regard, the Parent Bank, in a similar process to that carried out in previous years, classified stakeholders into specific macro-groups (Shareholders, Institutions, Employees, Value Chain Workers, Suppliers, Customers, Business Partners, the Community and the Environment); for each stakeholder category, they were classified as "affected stakeholders" or "users" or as belonging to both categories.

The table below shows the stakeholder map:

Category	Sub-category
Shareholders	Small shareholders / shareholders' associations Foundation
Institutions	Regulatory authorities Rating agencies Financial intermediaries/institutional investors
Employees	Network and management staff Senior management Trade unions
Workers in the value chain	Workers of upstream chain actors Workers of downstream chain actors
Suppliers	Strategic suppliers Other suppliers
Customers	Retail customers Corporate customers Private customers Public bodies Consumer associations
Business partners	Banking-Insurance Finance-Products
Community/Environment	Institutions and public administrations Schools, universities and scientific/research communities Environmental associations Non-profit associations

The opinions and interests of the aforementioned stakeholders are crucial in guiding the Group's actions in the decision-making process concerning its future strategy and business model. Moreover, stakeholders were involved in the impact materiality assessment downstream of the outcomes of an initial internal assessment, carried out by the Heads of the Group's corporate functions that relate most closely to the various stakeholder categories. Their involvement was achieved through the selection of specific stakeholder representatives ('opinion leaders') who were sent the internal questionnaires.

The Board of Directors is informed of the opinion of the stakeholders at the same time as it approves the outcome of the Double Materiality assessment.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

By consolidating the data obtained from the Double Materiality analysis, the Group compiled a final list of material IROs, which it validated with management.

The following table shows the outcome of the Double Materiality assessment for the 2025 financial year in terms of the IRO-related sustainability issues or topics that were assessed as material and, consequently, subject to reporting.

REFERENCE ESRS	SUSTAINABILITY TOPIC	ANALYSIS OUTCOME
ENVIRONMENTAL - E1	Climate change	Material
ENVIRONMENTAL - E2	Pollution	Not material
ENVIRONMENTAL - E3	Water and marine resources	Not material
ENVIRONMENTAL - E4	Biodiversity and ecosystems	Not material
ENVIRONMENTAL - E5	Circular economy	Not material
SOCIAL - S1	Secure employment - Adequate wages - Social dialogue - Collective bargaining	Material
	Balance between work and private life	Material
	Health and safety	Material
	Equal treatment and opportunities for all	Material
	Training and skills development	Material
	Other work-related rights	Not material
SOCIAL - S2	Workers in the value chain	Not material
SOCIAL - S3	Affected communities	Material
SOCIAL - S4	Information-related impacts for consumers and/or end-users	Material
	Personal safety of consumers and/or end-users	Material
	Social inclusion of consumers and/or end-users	Not material
N.A. (entity specific)	Sustainable finance	Material
N.A. (entity specific)	Digitalisation, innovation and quality of supply	Material
GOVERNANCE - G1	Corporate culture, Protection of whistle-blowers, Corruption and bribery	Material
GOVERNANCE - G1	Management of relationships with suppliers, including payment practices	Material

Once an IRO related to a sustainability topic has been identified as material, the Group identifies the relevant information to be disclosed on that issue, based on the ESRS concerned. Having identified some IROs that were not sufficiently covered by ESRS, the Group decided to provide an entity-specific disclosure on the topic.

Consistent with the outcome of the Double Materiality assessment, this Sustainability Statement has been structured by highlighting the above-mentioned sustainability topics in specific paragraphs. Within these paragraphs, the impacts, risks and opportunities identified by the Group are explained. Generally speaking, it should be noted that the actual and potential impacts identified: (i) derive from or are linked to the company's strategy and business model and (ii) guide the company's strategy and business model by contributing to their adaptation. For obvious reasons, these impacts affect the Group's risks and opportunities and consequently its strategy and business model. Taking into account impacts, risks and opportunities, the Group defines policies and actions to manage them, as well as, where deemed appropriate, any qualitative and/or quantitative (measurable) targets. Where appropriate, the Group also defines metrics to support the monitoring of policies and actions and, if defined, any targets adopted. In this regard, also taking into account the types of metrics adopted, it should be

noted that the metrics are not subject to validation by an external body other than the entity issuing the assurance report, except in specific cases described in the individual chapters on sustainability issues in this Reporting.

It is also specified that, in general, the target-setting process, while taking into account the materiality assessments on sustainability matters carried out in previous years that involved stakeholders on a general basis, does not provide for a specific interaction with these stakeholders. In addition, the characteristics and methods for determining any defined targets are normally based on observable quantities, i.e. they are deterministic measurements that do not involve assumptions or estimation models, except in the specific cases described in the individual chapters on sustainability matters in this Reporting.

Based on the Double Materiality analysis performed by the Group, the current financial effects arising from material risks and opportunities on its financial position, financial performance and cash flows have not been quantified. As of the date of approval of this Sustainability Statement, there were no financial effects related to material risks and opportunities related to sustainability matters that require significant adjustments to the carrying amounts of assets and liabilities reported in the financial statements, including with reference to the financial year following the date of this Reporting.

The following table shows the mapping of the topics/sub-topics/sub-sub-topics set out in the reporting principles (ESRS 1 AR 16) assessed as material as a result of the Double Materiality assessment and therefore subject to reporting with specific indication of the relevant paragraph.

Topical ESRS	Topic (table AR 16)	Sustainability sub-topic (table AR 16)	Sub-topic (table AR 16)
ESRS E1	Climate change	Climate change adaptation Climate change mitigation Energy	
ESRS S1	Own workforce	Working conditions	Secure employment Working time Adequate wages Social dialogue Collective bargaining, including the rate of the workforce covered by collective agreements
ESRS S1	Own workforce	Working conditions	Balance between work and private life
ESRS S1	Own workforce	Working conditions	Health and safety
ESRS S1	Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value Employment and inclusion of persons with disabilities Measures against violence and harassment in the workplace Diversity
ESRS S1	Own workforce	Equal treatment and opportunities for all	Training and skills development
ESRS S3	Affected communities	Communities' economic, social and cultural rights	Land-related impacts
ESRS S4	Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy Freedom of expression Access to (quality) information
ESRS S4	Consumers and end-users	Personal safety of consumers and/or end-users	Health and safety Security of a person
ESRS G1	Business conduct	Corporate culture Protection of whistle-blowers	Prevention and detection including training Incidents

Topical ESRS	Topic (table AR 16)	Sustainability sub-topic (table AR 16)	Sub-topic (table AR 16)
		Corruption and bribery	
ESRS G1	Business conduct	Management of relationships with suppliers, including payment practices	

The tables below show the actual and potential impacts, risks and opportunities related to sustainability topics assessed as relevant.

MAIN IRO - ENVIRONMENT			
CLIMATE CHANGE			
IRO description	IRO Type	Time horizon	Coverage ³
Contribution to climate change including through the credit/financing process and the composition of the securities portfolio to high-emission counterparties	Negative impact (Potential)	Medium	D-VC;
Acceleration of the climate change process through direct and indirect greenhouse gas emissions, including as a result of the potential increase in energy consumption	Negative impact (Potential)	S-T	OO;
Contribution to adaptation and climate change mitigation including through the credit/financing process and the composition of the securities portfolio	Positive impact (Potential)	Medium	D-VC;
Promotion of energy efficiency initiatives and use of renewable energy	Positive impact (Actual and Potential)	Medium	OO;
Physical risks with financial consequences in terms of destroyed property, repair costs and impacts on the Group's business profiles (e.g. branches unusable due to flooding, business downtime due to adverse weather events, etc.)	Risk	S-T	D-VC;
Transition risks that relate to the financial loss due to the shift towards a low-carbon economy, with consequent efforts and costs in terms of adaptation and change of strategy (e.g. non-compliance costs, change in customers' purchasing preferences...)	Risk	S-T	D-VC;
Cost savings/increased revenue through appropriate climate change mitigation and adaptation actions (e.g. by reducing energy consumption and/or increasing low-carbon products and services)	Opportunities	Medium	D-VC;
Strengthening of the credit and investment process by integrating the assessment of climate change issues with reference to customers/counterparties	Opportunities	Medium	D-VC;

MAIN IRO - SOCIAL			
OWN WORKFORCE (SECURE EMPLOYMENT, WORKING TIME, ADEQUATE WAGES, SOCIAL DIALOGUE, COLLECTIVE BARGAINING)			
IRO description	IRO Type	Time horizon	Coverage
Loss/reduction of jobs with effects on the local community ("brain drain abroad")	Negative impact (Potential)	S-T	OO;

³ Abbreviations relating to the level of value chain (VC) coverage: ("OO": Own Operations); ("U-VC": Upstream Value Chain); ("D-VC": Downstream Value Chain)

MAIN IRO - SOCIAL			
OWN WORKFORCE (SECURE EMPLOYMENT, WORKING TIME, ADEQUATE WAGES, SOCIAL DIALOGUE, COLLECTIVE BARGAINING)			
IRO description	IRO Type	Time horizon	Coverage
Difficulties for young people in entering the world of work and their emancipation	Negative impact (Potential)	S-T	OO;
Inadequate job classification	Negative impact (Potential)	S-T	OO;
Violation of human rights and the right to collective bargaining	Negative impact (Potential)	S-T	OO;
Promoting the integration of young people into the world of work, creating new job opportunities	Positive impact (Actual and Potential)	S-T	OO;
Promoting collective bargaining and social dialogue	Positive impact (Actual and Potential)	S-T	OO;
Job creation in the territory	Positive impact (Actual and Potential)	S-T	OO;
Shortcomings in selection and sizing resulting in economic losses also in connection with the quality of the products and services provided	Risk	S-T	OO;
Legal and reputational risks related to possible disputes with staff in connection with working conditions	Risk	S-T	OO;
Enhanced employee productivity and corporate reputation partly thanks to job creation and adequate remuneration	Opportunities	S-T	OO;
Ensure adequate capacity to manage turnover without leading to loss of knowledge and skills that would lead to negative impacts on company profiles in the medium to long term	Opportunities	S-T	OO;

OWN WORKFORCE (BALANCE BETWEEN WORK AND PRIVATE LIFE)			
IRO description	IRO Type	Time horizon	Coverage
Impacts on people's health and mental well-being (e.g. burnout)	Negative impact (Potential)	S-T	OO;
Increased personal well-being, including through the use of flexible working tools (e.g. smart working) and/or leave tools for family/parental reasons	Positive impact (Actual and Potential)	S-T	OO;
Legal and reputational risks related to possible disputes with staff in connection with working conditions concerning work-life balance	Risk	S-T	OO;
Decreased productivity with an associated increase in strategic risk in terms of achieving corporate financial targets	Risk	Medium	OO;
Enhanced productivity and corporate reputation through appropriate attention to the well-being of employees	Opportunities	Medium	OO;

OWN WORKFORCE (HEALTH AND SAFETY)			
IRO description	IRO Type	Time horizon	Coverage
Potential increase in cases of occupational injury and occupational illness	Negative impact (Potential)	S-T	OO;
Increasing the level of safety and well-being for workers	Positive impact (Actual and Potential)	S-T	OO;
Risk of employee injuries and illnesses with negative impacts in legal, reputational and sanctioning terms, as well as economic (e.g. for replacing a sick employee)	Risk	S-T	OO;
Reducing costs related to the occurrence of accidents, absenteeism and turnover, and increasing productivity and work quality through a healthy and safe workplace	Opportunities	Medium	OO;

OWN WORKFORCE (EQUAL TREATMENT AND OPPORTUNITIES FOR ALL)			
IRO description	IRO Type	Time horizon	Coverage
Discrimination between women and men, with particular reference to governance roles and employees in the Group with negative repercussions on management	Negative impact (Potential)	S-T	OO;
Difficulties in integrating persons with disabilities into the working world	Negative impact (Potential)	S-T	OO;
Promoting the inclusion of people with disabilities in own workforce	Positive impact (Actual and Potential)	S-T	OO;
Widespread enhancement of people in the company through the promotion of diversity, equity and inclusion policies	Positive impact (Actual and Potential)	S-T	OO;
Weaknesses in diversity, equality and inclusion policies resulting in non-compliance and reputational risks	Risk	S-T	OO;
Increased productivity linked to greater inclusion	Opportunities	Medium	OO;

OWN WORKFORCE (TRAINING AND SKILLS DEVELOPMENT)			
IRO description	IRO Type	Time horizon	Coverage
Inadequate capacity of employees to manage change due to training deficiencies	Negative impact (Potential)	S-T	OO;
Growth of workers' skills with associated increase in worker satisfaction	Positive impact (Actual and Potential)	S-T	OO;
Shortcomings in staff skills and qualifications resulting in economic losses	Risk	S-T	OO;
Increased productivity linked to increased staff professionalism	Opportunities	Medium	OO;

AFFECTED COMMUNITIES (ECONOMIC, SOCIAL AND CULTURAL RIGHTS OF COMMUNITIES)			
IRO description	IRO Type	Time horizon	Coverage
Lack of and/or inadequate support for territorial institutions aimed at promoting education (including financial education), social and environmental targets.	Negative impact (Potential)	Medium	OO;
Supporting territorial institutions that promote education, including financial and sustainability-oriented education	Positive impact (Actual and Potential)	Medium	OO;
Contribution to social programmes and initiatives that promote social inclusion, community well-being and the protection of rights.	Positive impact (Actual and Potential)	Medium	OO;
Negative relations with communities or unsuccessful social and/or cultural initiatives that may result in damage to the Group's reputation with related negative financial effects	Risk	S-T	OO;
Fostering constructive relationships that may bring commercial and reputational benefits, such as stable and conflict-free operations and easier local recruitment	Opportunities	Medium	OO;

CONSUMERS AND END-USERS (INFORMATION-RELATED IMPACTS FOR CONSUMERS AND/OR END-USERS)			
IRO description	IRO Type	Time horizon	Coverage
Violation and disclosure of sensitive information, with potential financial harm (fraud) for customers	Negative impact (Potential)	Short term	OO;U-VC;
Loss of trust and/or financial harm for customers due to non-compliance with transparency and contractual principles	Negative impact (Potential)	Short term	OO;
Service disruptions, including potential cost increases for customers, due to inefficient management of disputes/grievances regarding compliance with transparency and contractual principles	Negative impact (Potential)	Short term	OO;
Increase in consumer trust thanks to accurate, transparent and quality information, including regarding access methods.	Positive impact (Potential)	Medium	OO;
Greater involvement of customers through the provision of adequate channels for feedback and communication with the Bank	Positive impact (Potential)	Medium	OO;
Lack of/partial-transparency on products and services offered, leading to legal, reputational, and non-compliance risks	Risk	S-T	OO;
Containment of costs and/or negative financial impacts related to customer grievances in the context of compliance with transparency and contractual principles	Opportunities	Medium	OO;
Increased trust and consequent customer loyalty, leading to positive financial effects	Opportunities	Medium	OO;

CONSUMERS AND END-USERS (PERSONAL SAFETY OF CONSUMERS AND/OR END-USERS)			
IRO description	IRO Type	Time horizon	Coverage
Negative impact on the safety of customers in the physical spaces of the Group (e.g. branches, ATM...)	Negative impact (Potential)	S-T	OO;
Breach and disclosure of sensitive personal/company data (data breach) with potential financial harm (fraud) for customers	Negative impact (Potential)	Short term	OO;U-VC;
Increase in the level of safety and well-being of customers through the adoption of high safety standards for the protection of personal data and the safety of branches	Positive impact (Actual and Potential)	S-T	OO;U-VC;
Risk of privacy laws infringements and data breaches, resulting in reputational, legal and economic harm	Risk	S-T	OO;U-VC;
Risks to consumer health and safety with resulting financial impacts, from offering unsafe products or services (e.g. branch security)	Risk	S-T	OO;

CONSUMERS AND END-USERS (PERSONAL SAFETY OF CONSUMERS AND/OR END-USERS)			
IRO description	IRO Type	Time horizon	Coverage
Risk of Group involvement (through financing/investments) in companies that may harm consumer and/or end-user health and safety (e.g. reputational risks from financing firms operating in sensitive sectors such as arms or gambling)	Risk	S-T	OO;
Containing costs and/or negative financial impacts related to potential customer harm incidents	Opportunities	Medium	OO;
Investing in/financing businesses that adequately manage the issue of customer security and therefore have better creditworthiness with consequent positive financial effects in the medium to long term	Opportunities	Medium	OO;

ENTITY-SPECIFIC DISCLOSURES (SUSTAINABLE FINANCE)			
IRO description	IRO Type	Time horizon	Coverage
Lack of or partial influence on sustainable development processes through the offer of products and/or services and ESG investment choices	Negative impact (Potential)	Short term	OO;
Contribution to customers' decarbonisation journey towards a low-carbon economy through the offer of products and/or services and ESG investment choices	Positive impact (Potential)	Medium	OO;
Contribution to the development of social initiatives by customers through the offer of products and/or services and ESG investment choices	Positive impact (Potential)	Medium	OO;
Offer of ESG products and/or services that are not suited to customer needs that generate reputational and compliance risks (e.g. greenwashing)	Risk	S-T	OO;
Loss of market share due to uncompetitive and/or non-customer-driven ESG product offerings	Risk	S-T	OO;
Development of sustainable products and/or services with positive environmental and social impacts and consequent positive effects on the bank's financial performance	Opportunities	Medium	OO;

ENTITY-SPECIFIC DISCLOSURES (DIGITISATION, INNOVATION AND PRODUCT/SERVICE QUALITY)			
IRO description	IRO Type	Time horizon	Coverage
Exclusion of groups potentially unable to adapt to digitisation (e.g. due to lack of technology, age, socio-economic context)	Negative impact (Potential)	Medium	OO;U-VC;
Potential consequences for employees from workplace reduction due to automation	Negative impact (Potential)	Medium	OO;U-VC;
Transformation of the distribution and production model through enhanced digitalisation, adoption of cloud solutions and widespread, effective use of data analytics and artificial intelligence to deliver improved customer service (for example in terms of user experience)	Positive impact (Actual and Potential)	S-T	OO;U-VC;
Increased customer satisfaction thanks to increased innovation and service quality	Positive impact (Potential)	S-T	OO;
Potential inability to manage innovation and digital transformation processes, with particular reference to operational, IT, compliance and reputational risks, resulting in potential financial losses	Risk	S-T	OO;U-VC;
Loss of market share due to uncompetitive and/or non-customer-driven product offerings	Risk	S-T	OO;
Leveraging new technologies and data analytics (e.g. big data, machine learning) to streamline processes with increased productivity and/or reduced costs	Opportunities	Medium	OO;U-VC;
Developing product offerings and sales strategies that genuinely reflect customer needs, in particular those of youngsters, to create sustainable long-term value.	Opportunities	Medium	OO;

MAIN IRO - GOVERNANCE			
CORPORATE CULTURE, PROTECTION OF WHISTLEBLOWERS, CORRUPTION AND BRIBERY			
IRO Description	IRO Type	Time horizon	Coverage
Violation of human rights and/or direct or indirect harm due to unethical conduct (e.g. the lack of adequate reporting mechanisms such as whistleblowing)	Negative impact (Potential)	Short term	OO;
Loss of trust and/or financial harm suffered due to prioritising the interests of the Group and/or specific third parties	Negative impact (Potential)	Short term	OO;
Non-ethical conduct with incidents of corruption and bribery in relations with stakeholders	Negative impact (Potential)	Short term	OO;
Awareness and dissemination of a culture of ethics and human rights in support of individuals, the community, and the environment	Positive impact (Actual and Potential)	S-T	OO;
Risks associated with the bank's potential liability arising from unethical practices, which may lead to legal action or financial penalties, reputation and/or strategic damage	Risk	S-T	OO;
Conflict of interest risk	Risk	S-T	OO;
Risks associated with the failure to comply with the provisions of Legislative Decree 231/2001	Risk	S-T	OO;
Risk of money laundering and terrorist financing	Risk	S-T	OO;
Inadequacy of the remuneration and incentive system that may lead to regulatory breaches or an excessive assumption of risks	Risk	S-T	OO;
Maintaining an excellent position and reputation with stakeholders thanks to sound business ethics and the implementation of anti-corruption measures, to mitigate legal sanctions for non-compliance and thus contribute to the wellbeing of communities	Opportunities	S-T	OO;
Legal and regulatory compliance to improve public perception of the company, reducing the risk of sanctions and having a positive influence on the share price and access to financial markets	Opportunities	S-T	OO;
Appropriate remuneration and incentive mechanisms for the Group's directors and management can foster competitiveness and good governance	Opportunities	S-T	OO;

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS, INCLUDING PAYMENT PRACTICES			
IRO description	IRO Type	Time horizon	Coverage
Economic harm caused to suppliers with possible repercussions for the economic and social fabric of the local community (e.g. due to late payments)	Negative impact (Potential)	Short term	OO;
Contribution to the sustainable growth of commercial partners (e.g. selection based on ESG criteria, promotion of ESG initiatives), with particular attention to suppliers in the local area	Positive impact (Potential)	Medium	OO;
Legal and/or reputational and/or operational risk associated with inadequate management of relationships with suppliers, with related economic harm	Risk	S-T	OO;
Risk of outsourcing corporate operations to third-party suppliers, especially core or essential ones (e.g. operational risk, including business continuity, IT risk, reputational risk)	Risk	S-T	OO;
Prioritising the search for/replacement of suppliers thereby ensuring a high level of quality of the services purchased with positive effects on productivity	Opportunities	S-T	OO;

For more details on the impacts, risks and opportunities, please refer to the individual chapters on sustainability topics.

IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

The procedure for assessing Double Materiality is an integral part of the sustainability reporting process and is governed by the "Sustainability Reporting" Regulations approved by the Parent Bank's Board of Directors.

In accordance with the provisions, Double Materiality comprises two interconnected and often interdependent dimensions: impact materiality and financial materiality. Therefore, a sustainability matter can be material from an impact perspective, from a financial perspective or from both perspectives.

A sustainability matter is material from an impact perspective when it pertains to the Group's material actual or potential, positive or negative impacts on people or the environment over the short-, medium- or long-term ("inside-out" perspective).

A sustainability matter is, however, material from a financial perspective if it triggers or could reasonably be expected to trigger material financial effects on the Group ("outside-in" perspective).

The procedure for assessing Double Materiality consists of the following three steps:

- analysis of the reference context
- identification of IROs related to sustainability issues
- analysis and assessment of material IROs related to sustainability issues

It is specified that the results of the value chain analysis were taken into account in the Double Materiality assessment as the aforementioned analysis identified the business relationships and actors that contribute to the creation of impacts for the Group, highlighting those that need special attention to manage sustainability issues.

In general, it should be noted that qualitative and quantitative analyses were carried out for the conduct of the Double Materiality assessment, leaving it to the individual entities to acquire the appropriate evidence to support the assessments made.

Analysis of the reference context

In this first phase, the Group, in order to identify its IROs, carries out a preliminary analysis of its business activities and relationships, the sustainability context in which these occur and the understanding of the main stakeholders involved. This step is the same as that carried out by the Parent Bank when defining the value chain.

Identification of IROs related to sustainability issues

In this second phase, based on the results of the context analysis described in the previous section, the Group identified the impacts, risks and opportunities related to environmental, social and governance issues in its operations and in the upstream and downstream value chain.

As a preliminary step, the Parent Bank identified sustainability issues to comply with the reporting standards and guidelines prepared by EFRAG. These, in particular, involve two approaches that the Group has decided to combine. Continuing with the work carried out in the previous year, regarding the topics listed in paragraph AR 16 of Appendix A, a preliminary exclusion was made of certain sub-topics, which, on the basis of the Group's operating environment, were deemed irrelevant. After that, specific issues deemed material that had already been reported in previous non-financial reports were integrated. In addition, a rationalisation of topics was carried out in order to ensure consistency with the overall structure of the Sustainability Statement.

The impacts, risks and opportunities are outlined for each sustainability matter. In this context, due consideration is given to the Group's value chain. More specifically, the impact identification process involved tracing each impact to the part of the value chain where it occurs (in the Group's internal activities or in its business interactions), with the aim of including in the list of current and potential impacts not only those caused directly by the Group, but also those in which it is involved and/or contributes through its business relationships.

The process of identifying risks and opportunities was implemented from a short-, medium- and long-term perspective.

To identify current and potential impacts, risks and opportunities related to sustainability, the Group considered the following sources:

1. Legal and regulatory context relevant to the Group;
2. Internal company regulations;
3. Business Plan, ESG Plan and corporate policies (credit, financial, etc.);
4. Sustainability Statement for the previous period;
5. Analysis of activities, products and services offered and geographical location of own activities;
6. Mapping of the value chain including an assessment of upstream and downstream business relationships;
7. Stakeholder mapping aimed at identifying opinion leaders to be involved;
8. External sources including sustainability disclosures published by other banking groups or banks.

Analysis and assessment of material IROs related to sustainability issues

In this final step, the Group applied the criteria for assessing the material impact and financial materiality in order to determine material impacts, risks and opportunities, and consequently the relevant disclosures required by the reporting principles.

The IRO assessment process was mainly based on qualitative assessments; however, for financial materiality, quantitative indicators were also used to support the assessment.

The materiality assessment of the impacts was carried out in two successive steps involving firstly an internal assessment conducted by the relevant company representatives and then an external assessment involving selected stakeholder representatives ("opinion leaders").

With reference to the internal assessment of impact materiality, the Heads of the Group's corporate functions who were to be sent questionnaires for individual assessments were identified. Internal managers have been identified in order to adequately cover the different stakeholder groups, with due consideration of the actors in the value chain.

The actual and potential, negative and positive impacts were assessed on the basis of:

- the scale, scope and irremediable character of the impact for negative impacts and, in addition, the likelihood of the impact occurring over the relevant time horizon for potential negative impacts;
- the scale and scope of the impact for positive impacts and, in addition, the likelihood of the impact occurring over the relevant time horizon for potential positive impacts.

The results of the internal assessment, appropriately aggregated, were then submitted through special questionnaires to the opinion leaders in order to make any adjustments. The purpose of this external engagement is to assess, validate and ensure the completeness of the result of the materiality impact assessment.

In parallel to the impact analysis, the Group assessed the financial materiality (i.e. the individual risks and opportunities associated with the sustainability issues identified) through a combination of:

- the likelihood of occurrence, the assessment of which also takes into account the organisational safeguards for risk and opportunity management integrated into the relevant business processes;
- the potential magnitude of the financial effects in the short, medium and long term. In order to support the assessment of financial impacts, ranges have been defined with reference to certain magnitudes considered explanatory of the business profiles on which the risks might have an impact, in line with the Risk Appetite Framework.

These magnitudes were defined by the Risk Management Department with the cooperation of the Accounting, Tax & Planning Department.

In order to support the assessment of financial impacts, ranges have been defined with reference to certain magnitudes considered explanatory of the business profiles on which the risks and the opportunities might have an impact, in line with the Risk Appetite Framework.

Once the methodological model had been defined, the Heads of first-level corporate functions were identified for each sustainability matter and entrusted with the assessment of risks and opportunities related to the various topics. This identification took into account the business processes and assets on which the identified risks and opportunities manifest themselves according to a principle of proportionality.

In this context, the results of the "first-level" internal assessment of the risks were subsequently reviewed by the Risk Management Department, which, if deemed appropriate, consulted with the individual company representatives on the results of the review under their responsibility and, if necessary, make any changes to the assessments.

For the identification of relevant topics, both from the perspective of impact materiality and financial materiality, the Group adopts a threshold based on the final score given to individual topics. More specifically, should the score given to the individual topic be equal to or below this critical threshold, that topic would be assessed as not material. In any event, the Board of Directors of the Parent Bank may decide, as a matter of prudence, to consider as "material" and, therefore, subject to reporting, certain topics that have been found to be below the threshold.

Considering that the Double Materiality assessment is a salient step in the process of preparing the Sustainability Statement that influences the content of the Reporting, the results of the assessment were previously submitted to the Parent Bank's Board of Directors for approval on 2 December 2025.

The process is formally defined in the Internal Regulation "Sustainability Reporting" approved by the Board of Directors. The assessment process was carried out in accordance with the aforementioned Regulation. Generally speaking, the materiality assessment is updated at least annually well in advance of the start of the activities aimed at preparing the Sustainability Statement.

E-1 IRO-1

The Sparkasse Group has identified climate-related impacts, risks and opportunities, considering its business model. Direct GHG emissions are low and mainly related to electricity consumption from renewable sources and, residually, gas to fuel boilers, which are in the process of being replaced with heat pumps. Indirect GHG emissions mainly stem from customer financing activities and from the Group's securities portfolio. The integration of ESG risks, in particular climate change risk, into the risk management framework takes place through the integration of the corporate risk map with climate and environmental risks, a materiality analysis, management stress tests, the definition of limits, management overlay measures for the Stage 2 classification of credit exposures, and the monitoring of the risks under consideration. The Sparkasse Group manages the potential physical risks with possible financial consequences deriving from destroyed property, repair costs and impacts on business profiles, such as branches being unusable due to flooding, business downtime due to adverse weather events, etc.) In addition, the Group manages the transition risks that relate to the financial loss due to the transition towards a low-carbon economy, with consequent efforts and costs in terms of adaptation and change of strategy, including non-compliance costs, and costs related to adaptation to new regulations and changes in customers' purchasing preferences. Lastly, regulatory risk is material due to rapidly changing environmental and climate standards, resulting in adaptation efforts and costs. For more details please refer to paragraph "E1.IRO-1 - Description of the processes to identify and assess climate-related material impacts, risks and opportunities"

G-1 IRO-1

Also for the identification of the impacts, risks and opportunities related to the issue of business conduct, the Double Materiality assessment process described in detail above, which is based, inter alia, on an analysis of the location, activities, sector and structure of the Group's operations, has been adopted. This process identified the

materiality of corporate culture, the fight against corruption and bribery, relationships with suppliers and payment methods, and whistleblowing procedures.

Impacts, risks and opportunities (not material) related to Pollution (ESRS E2), Water and marine resources (ESRS E3), Biodiversity and ecosystems (ESRS E4), Resource use and circular economy (ESRS E5)

As a result of the Double Materiality assessment, the topics "Pollution", "Water and marine resources", "Biodiversity and ecosystems" and "Resource Use and circular economy" were found not to be material.

In assessing the impacts, risks and opportunities associated with the aforementioned topics, it should be noted that the Group has limited itself to conducting a qualitative analysis of its business model, the territory in which it mainly operates and the main counterparties with which it has relationships. In this regard, it should be noted that the Group has not reviewed the location of company sites and activities along the upstream and downstream value chain.

This is because the Group's activities, which are focused on banking and financial intermediation, are not inherently high emitters in terms of pollution, use of water and marine resources, contamination of the ecosystem and biodiversity loss or waste production.

IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Through the Double Materiality process, material IROs related to different sustainability topics were identified. Specific information and detailed data points (DPs) to be reported were then selected and disseminated accordingly. Therefore, only DPs related to the policies, actions, targets and metrics associated with the material topics identified are reported.

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
General disclosures	ESRS 2 General disclosures		BP-1 General basis for preparation of sustainability statements	89
			BP-2 Disclosures in relation to specific circumstances	90
			GOV-1 The role of the administrative, management and supervisory bodies	91
			GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	94
			GOV-3 Integration of sustainability-related performance in incentive schemes	94
			GOV-4 Statement on due diligence	97
			GOV-5 – Risk management and internal controls over Sustainability Statement	98
			SBM-1 Strategy, business model, and value chain	101
			SBM-2: Interests and views of stakeholders	104
			SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	106
			IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	114
			IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	118

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Environmental disclosures	ESRS E1 Climate change	Climate change mitigation, Climate change adaptation, Energy	ESRS 2 – MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	
			ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	
			ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	151
			E1-1 – Transition plan for climate change mitigation	151
			E1-2 Policies related to climate change mitigation and adaptation	155
			E1-3 Actions and resources in relation to climate change policies	157
			E1-4 Targets related to climate change mitigation and adaptation	159
			E1-5 – Energy consumption and mix	160
			E1-6 – Gross Scope 1, 2, 3 and Total GHG emissions	161
			E1-7 GHG removals and GHG mitigation projects financed through carbon credits	Not material
			E1-8 Internal carbon price	Not material
			E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phased-in

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Environmental disclosures	ESRS E2 Pollution	Pollution of air, water and soil Pollution of living organisms and food resources Substances of concern Substances of very high concern Microplastics	IRO-1 - Description of the processes to identify and assess material pollution-related impacts, risks and opportunities in terms of sustainability in incentive systems	Not material
			E2-1 - Policies related to pollution	Not material
			E2-2 - Actions and resources related to pollution	Not material
			E2-3 - Targets related to pollution	Not material
			E2-4 - Pollution of air, water and soil	Not material
			E2-5 - Substances of concern and substances of very high concern	Not material
			E2-6 - Anticipated financial effects from material pollution-related risks and opportunities	Not material Phased-in
	ESRS E3 Water and marine resources	Water consumption Water withdrawals Water withdrawal in the oceans Water discharges Extraction and use of marine resources	ESRS 2 IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Not material
			E3-1 Policies related to water and marine resources	Not material
			E3-2 Actions and resources related to water and marine resources	Not material
			E3-3 Targets related to water and marine resources	Not material
			E3-4 - Water consumption	Not material
			E3-5 - Anticipated financial effects from material water and marine resources-related risks and opportunities	Not material Phased-in
Environmental disclosures	ESRS E4 Biodiversity and ecosystems	Direct impact drivers of biodiversity loss, impacts on the extent and condition of ecosystems	E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Not material
			ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	Not material
			ESRS 2 IRO-1 Description of the process to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	Not material
			E4-2 Policies related to biodiversity and ecosystems	Not material
			E4-3 Actions and resources related to biodiversity and ecosystems	Not material
			E4-4 Targets related to biodiversity and ecosystems	Not material
			E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	Not material Phased-in
	ESRS E5 Resource use and circular economy	Resource inflows, including use of resources, Resource outflows related to products and services, Waste	ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Not material
			E5-1 Policies related to resource use and circular economy	Not material
			E5-2 Actions and resources related to resource use and circular economy	Not material
			E5-3 Targets related to resource use and circular economy	Not material
			E5-4 - Resource inflows	Not material
			E5-5 - Resource outflows	Not material
			E5-6 – Anticipated financial effects from material resource use and circular economy-related risks and opportunities	Not material Phased-in

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Social disclosures	ESRS S1 Own workforce	Secure employment - Adequate wages - Social dialogue - Collective bargaining	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	164
			S1-1 Policies related to own workforce	165
			S1-2 – Processes for engaging with own workers and workers' representatives about impacts	167
			S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	168
			S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	170
			S1-6 Characteristics of the undertaking's employees	171
			S1-7 – Characteristics of non-employee workers in the undertaking's own workforce	172
			S1-8 Collective bargaining coverage and social dialogue	172
			S1-10 - Adequate wages	172
Social disclosures	ESRS S1 Own workforce	Balance between work and private life	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	173
			S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	174
			S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	176
			S1-11 - Social protection	177
			S1-15 Balance between work and private life	177
Social disclosures	ESRS S1 Own workforce	Health and safety	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	178
			S1-1 Policies related to own workforce	178
			S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	181
			S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	183
			S1-14 – Health and safety metrics	184

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Social disclosures	ESRS S1 Own workforce	Equal treatment and opportunities for all	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	185
			S1-1 Policies related to own workforce	185
			S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	186
			S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	188
			S1-9 – Diversity metrics	189
			S1-12 – Persons with disabilities	189
			S1-16 Compensation metrics (pay gap and total compensation)	190
			S1-17 Incidents, complaints and severe human rights impacts	191
		Training and skills development	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	191
			S1-1 Policies related to own workforce	191
			S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	192
			S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	192
			S1-13 – Training and skills development metrics	198

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Social disclosures	ESRS S2 Workers in the value chain	Working conditions, Equal treatment and opportunities for all, Other work-related rights	ESRS 2 SBM-2 Interests and views of stakeholders	Not material
			ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	Not material
			S2-1 Policies related to value chain workers	Not material
			S2-2 – Processes for engaging with value chain workers about impacts	Not material
			S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	Not material
			S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Not material
			S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Not material

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Social disclosures	ESRS S3 Affected communities	Communities' economic, social and cultural rights	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	200
			S3-1 Policies related to affected communities	200
			S3-2 Processes for engaging with affected communities about impacts	201
			S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns	201
			S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	202
			S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	204
Social disclosures	ESRS S4 Consumers and end-users	Information-related impacts for consumers and/or end-users	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	205
			S4-1 Policies related to consumers and end-users	206
			S4-2 Processes for engaging with consumers and end-users about impacts	207
			S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	208
			S4-4 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	209
			S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	210
		Personal safety of consumers and/or end-users	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	
			ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	211
			S4-1 Policies related to consumers and end-users	212
			S4-4 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	213
			S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	214

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Social disclosures	Entity specific	Sustainable finance	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	215
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	216
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	218
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	218
			ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	215
		Digitisation, innovation and quality of offering	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	219
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	220
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	221
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	221
			ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	219

SECTION	ESRS	SUB-TOPIC	DISCLOSURE REQUIREMENT	NOTES AND PAGE NUMBER
Governance information	ESRS G1 Business conduct	Corporate culture, Protection of whistle-blowers, Corruption and bribery	GOV-1 The role of the administrative, management and supervisory bodies	222
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	232
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	233
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	233
			ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	222
			G1-1 Corporate culture and business conduct policies	223
			G1-3 Prevention and detection of corruption and bribery	229
			G1-4 Confirmed incidents of corruption or bribery	235
			G1-5 – Political influence and lobbying activities	Not material
		Management of relationships with suppliers including payment practices	ESRS 2- MDR-P – Policies adopted to manage material sustainability matters	
			ESRS 2 MDR-A – Actions and resources in relation to material sustainability matters	239
			ESRS 2 MDR-T – Tracking effectiveness of policies and actions through targets	240
			ESRS 2 MDR-M – Metrics in relation to material sustainability matters	240
			ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	235
			G1-2 Management of relationships with suppliers	235
			G1-6 Payment practices	241

Table of all the datapoints that derive from other EU legislation

DISCLOSURE REQUIREMENT AND RELATED DATAPPOINTS	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU Climate Law reference (4)	Material/ Not material	Reference
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	■		■			p. 91
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			■			p. 91
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	■					p. 97
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40(d)(i)	■	■	■			p. 101
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	■		■			p. 101
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d)(iii)	■		■			p. 101
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			■			p. 101
ESRS E1-1 Transition Plan to reach climate neutrality by 2050, paragraph 14				■	Material	not available
ESRS E1-1 Undertakings excluded from Paris-aligned benchmarks, paragraph 16 (g)		■	■		Material	not available
ESRS E1-4 GHG emission reduction targets, paragraph 34	■	■	■		Material	p159
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	■				Not material	
ESRS E1-5 Energy consumption and mix, paragraph 37	■				Material	p. 160
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	■				Not material	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	■	■	■		Material	p. 161
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53-55	■	■	■		Material	p. 161
ESRS E1-7 GHG removals and carbon credits, paragraph 56				■	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			■		Material	subject to a gradual process
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)		■			Material	subject to a gradual process
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		■			Material	subject to a gradual process
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			■		Material	subject to a gradual process
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	■				Not material	
ESRS E3-1 Water and marine resources, paragraph 9	■				Not material	
ESRS E3-1 Dedicated policy, paragraph 13	■				Not material	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	■				Not material	
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	■				Not material	
ESRS E3-4 Total water consumption in m3 for net revenues on own operations, paragraph 29	■				Not material	
ESRS 2 - SBM 3 - E4, paragraph 16 (a) i	■				Not material	

DISCLOSURE REQUIREMENT AND RELATED DATAPOINTS	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU Climate Law reference (4)	Material/ Not material	Reference
ESRS 2 - SBM 3 - E4, paragraph 16 (b)	■				Not material	
ESRS 2 - SBM 3 - E4, paragraph 16 (c)	■				Not material	
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	■				Not material	
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	■				Not material	
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	■				Not material	
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	■				Not material	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	■				Not material	
ESRS 2 - SBM3 - S1 Risk of incidents of forced labour, paragraph 14 (f)	■				Not material	
ESRS 2 - SBM3 - S1 Risk of incidents of child labour, para. 14 (g)	■				Not material	
ESRS S1-1 Human rights policy commitments, paragraph 20	■				Material	p. 165
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			■		Material	p. 165
ESRS S1-1 Processes and measures to prevent trafficking in human beings, paragraph 22	■				Not material	
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	■				Not material	
ESRS S1-3 Complaints/grievance handling mechanisms, paragraph 32 (c)	■				Not material	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraphs 88 (b) and (c)	■		■		Not material	
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illness, paragraph 88 (e)	■				Not material	
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	■		■		Material	p. 190
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	■				Material	p. 190
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	■				Material	p. 191
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	■		■		Material	p. 191
ESRS 2 - SBM3 - S2 Significant risk of child labour or forced labour in the value chain, paragraph 11(b)	■				Not material	
ESRS S2-1 Human rights policy commitments, paragraph 17	■				Not material	
ESRS S2-1 Policies related to value chain workers, paragraph 18	■				Not material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	■		■		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			■		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	■				Not material	
ESRS S3-1 Human rights policy commitments, paragraph 16	■				Material	p. 200
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines, paragraph 17	■		■		Material	p. 200
ESRS S3-4 Human rights issues and incidents, paragraph 36	■				Material	p. 191
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	■				Material	p. 206, 212

DISCLOSURE REQUIREMENT AND RELATED DATAPOINTS	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU Climate Law reference (4)	Material/ Not material	Reference
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17	■		■		Material	p. 206, 212
ESRS S4-4 Human rights issues and incidents, paragraph 35	■				Material	pp. 209, 213
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	■				Material	p. 223
ESRS G1-1 Protection of whistle-blowers, paragraph 10(d)	■				Material	p. 227
ESRS G1-4 Fines for violations of anti-corruption and anti-bribery laws, paragraph 24(a)	■		■		Material	p. 235
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24(b)	■				Material	p. 235
(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1). (2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1). (3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1). (4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).						

Part Two: Environmental Disclosures

Environmental Disclosures

Information Pursuant to Article 8 of the Taxonomy

The Taxonomy Regulation issued on 18 June 2020 is one of the initiatives taken within the EU to foster the transition to sustainable finance. The aim of the European legislation is to implement a taxonomy to define the conditions under which economic activities can be considered environmentally sustainable and to encourage the expansion of mandatory information requirements for the purpose of drawing up Sustainability Statement.

In compliance with Article 8 of Regulation No. 2020/852, Delegated Regulation 2021/2178 was published, specifying the content and presentation of the information that undertakings subject to the sustainability reporting obligation in accordance with CSRD must disclose on eco-friendly economic activities and specifying the methodology for complying with this disclosure requirement.

Specifically, Article 10 of Delegated Regulation 2021/2178 et seq. requires credit institutions to report the key performance indicators of financial undertakings in accordance with the relevant annexes of the aforementioned Regulation. More specifically, the Group is required to report the "green asset ratio" (GAR), which indicates the proportion of a credit institution's assets that finance and are invested in Taxonomy-aligned economic activities as a proportion of total covered assets. This indicator is calculated using the prudential scope of consolidation.

With regard to the above, it is recalled that:

- activities that are economically aligned with the taxonomy are those that meet the requirements of Article 3 of Regulation No. 2020/852 (in that they contribute substantially to the achievement of one or more of the environmental objectives, do no significant harm to any of the environmental objectives, are carried out in compliance with the minimum safeguards, and comply with the technical screening criteria set out by the Commission;
- covered assets are those eligible for GAR calculation (including loans and advances, debt securities, equity investments and repossessed collateral). This aggregate excludes the amount of exposures to central governments, central banks and supranational issuers.

With Delegated Regulation no. 2026/73 of 4 July 2025, the European Commission adopted a series of measures to simplify the application of the EU Taxonomy, which is part of the broader process of simplifying *disclosure* on ESG aspects envisaged by the *Omnibus* Package. This should reduce administrative burdens for EU businesses, thereby strengthening the EU competitiveness and preserving key climate and environmental objectives. The aforementioned Regulation amends Delegated Regulation (EU) 2021/2178 - simplifying both the content and methods of presentation of information on environmentally sustainable activities - in addition to Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486, intervening on some technical screening criteria used to verify compliance with the *Do Not Significant Harm* (DNSH) principle.

Delegated Regulation no. 2026/73 of 4 July 2025 applies from 1 January 2026 and covers the 2025 financial year.

Despite the provisions allow the new measures to be applied starting from the 2026 financial year, the Parent Bank has complied with the provisions of Regulation no. 2026/73 of 4 July 2025 as of this report prepared with reference to the 2025 financial year.

With reference to the first application of the provisions set forth in Delegated Regulation no. 2026/73 of 4 July 2025, the Parent Bank made use of the possibility to include the following exposures to companies that do not fall within the scope of application of the CSRD in the calculation of indicators (KPIs):

- exposures to companies (financial and/or non-financial) that publish the disclosure pursuant to Article 8 of the Taxonomy on a voluntary basis in accordance with the templates provided for by the relevant regulations;

- exposures to companies if income use is known.

Furthermore, in accordance with the possibility of not assessing the eligibility and alignment to the taxonomy of certain KPIs that reflect activities that are not relevant to their activities, the Parent Bank does not prepare additional disclosures about GAR on financial guarantees.

In light of the new provisions, it should be noted that the additional KPIs relating to fees and commissions and the trading book only apply as from 2028. Furthermore, the specific templates provided for in the Delegated Regulation (EU) 2022/1214 regarding economic activities in certain energy sectors (nuclear and fossil) have been abolished.

Also following the entry into force of the disclosure obligations pursuant to Article 8 of Regulation 852/2020, the Group pays attention to resource allocation choices in terms of loans and investments, so as to potentially increase the share of Taxonomy-aligned activities. This perspective also defines the offer in terms of loans to private parties (for more information, please refer to the section "Sustainable Finance"). Nonetheless, please note that at present the Group does not define specific targets to be achieved regarding quantitative taxonomy KPIs when formulating corporate strategies.

Identification of environmentally sustainable activities

According to Article 8 of the Taxonomy Regulation, any undertaking subject to the obligation to publish a Sustainability Statement must include in this document appropriate information on how and to what extent the company's activities are associated with economic activities considered "environmentally sustainable" within the meaning of Articles 3 and 9 of the same Regulation.

Specifically, Article 3 of Regulation (EU) 2020/852 defines an environmentally sustainable economic activity only when the activity simultaneously meets the following requirements:

- it contributes substantially to the achievement of one or more of the environmental targets (referred to in Article 9);
- it does not cause significant harm to any of the environmental targets;
- it is carried out in compliance with minimum safeguards (in line with the OECD guidelines, the UN/Guiding Principles on Business and Human Rights and the ILO principles);
- complies with the technical screening criteria set out by the Commission for each individual environmental target.

Article 9 of Regulation (EU) 2020/852 identifies the following environmental targets:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems.

The technical screening criteria for defining whether an activity is contributing to an environmental objective and not causing significant harm to it are contained in specific delegated acts adopted by the EU Commission. The delegated act relating to the first two objectives ("climate change mitigation" and "climate change adaptation") is Delegated Regulation 2021/2139 of 4 June 2021, which was published in the Official Journal on 9 December 2021.

Regulation No. 2023/2486 also defined the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection

and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

Therefore, it is essential to identify the following definitions in Article 1 of Delegated Regulation 2021/2178:

- *"Taxonomy-eligible economic activity"*: an economic activity described in the delegated acts adopted which regulate in detail the economic activities that enable the achievement of individual environmental objectives and do not harm any other environmental objective, irrespective of whether that economic activity fulfils any or all of the technical screening criteria laid down in those delegated acts;
- *Taxonomy-non-eligible economic activity*: an economic activity that is not described in the delegated acts adopted that regulate in detail the economic activities that enable the achievement of individual environmental targets and do not harm any other environmental objective, irrespective of whether that economic activity fulfils any or all of the technical screening criteria laid down in those delegated acts;
- *"Taxonomy-aligned economic activity"*: an economic activity that complies with the requirements laid down in Article 3 of Regulation (EU) 2020/852, i.e. it is Taxonomy-eligible and also complies with the technical screening criteria set out in those delegated acts.

The following tables provide a summary of the Cassa di Risparmio di Bolzano Banking Group's key performance indicators (KPIs) as at 31.12.2025 in compliance with the requirements of Article 8 of Regulation No. 2020/852 and the related implementing regulations. In this respect, it is recalled that Delegated Regulation (EU) 2021/2178 requires institutions to estimate and report GAR twice, once on the basis of the Taxonomy-aligned turnover of the counterparty (for non-financial undertakings) for exposures whose purpose is not to finance specified assets (general purpose loans) and a second time on the basis of the counterparty's Taxonomy-aligned capital expenditure for the same general purpose loan exposures.

Criteria adopted for the preparation of quantitative disclosures

To comply with the information requests, the Parent Bank has defined specific procedures and methodologies for the concrete preparation of information. These procedures require the involvement of the relevant Corporate Functions in the provision of data on the basis of their competences (Credit Directorate, Finance Directorate and Treasury and Accounting and Reporting Service).

In summary, the Parent Bank, in support of the preparation of quantitative disclosures, performed specific analyses aimed at defining:

- A. Extractions from the reference information subsystem based on queries from specific FINREP reporting datapoints detailing, report by report, a number of relevant fields;
- B. The integration of information assets by identifying information:
 - to be fed into the system as 'inputs' with the contribution of the competent corporate functions;
 - to be generated automatically on the basis of specific calculation routines and by exploiting available information;
- C. Methodological proposals for the preparation of certain information attributes to be acquired as inputs, defining in a precise manner the scope of activities for which the enrichment of information assets is required;
- D. The characteristics and contents of the templates to be published also in table format and in Italian;
- E. The rules for generating templates to be published based on the information available;
- F. The solution for prudential consolidation.

With reference to the above-defined scope of financial assets, the items to be excluded were identified as exposures to central governments, central banks and supranational issuers. In this regard, the portfolios already used to provide the detailed information in the Notes to the Financial Statements were used.

Next, the items to be excluded from the taxonomy eligibility check were identified, represented by:

- a) the value of both hedging and trading derivatives;
- b) the value of the trading portfolio (excluding derivatives) by reference to asset item 20(a);
- c) current accounts and demand deposits with banks recognised under asset item 40;
- d) loans, securities and equity investments in undertakings that do not fall within the scope of the CSRD.

As for the trading portfolio, it should be noted that it is represented almost entirely by investments that relate to the defined-benefit section of the pension fund managed internally by the Parent Bank⁴. In this respect, the ESG guidelines in force from time to time at Group level apply.

Exposures to entities within the scope of the CSRD

With regard to exposures to reporting entities, a review was undertaken to assess whether these exposures could be Taxonomy-eligible/aligned. To this end, a distinction was made in respect of:

- specialised loans and general purpose loans to non-financial undertakings: the former “represent loans and advances where the use of the proceeds is known”, while for general purpose loans the use of proceeds is unknown. For general purpose loans, the Parent Bank determined the Taxonomy-eligible/aligned portion based on the Capital Expenditure KPI and on the Turnover KPI that the counterparty is required to report for each environmental target under Delegated Regulation 2021/2178. To this end, reference was made to the most recent data available on the market subject to publication by the issuers, as acquired by specific infoproviders used by the Parent Bank. For special purpose loans, an ad-hoc analysis was carried out to verify the technical screening criteria laid down in the provisions;
- exposures to financial undertakings (loans and advances, debt securities and equity investments); the Bank determined the Taxonomy-eligible/aligned portion based on the Capital Expenditure KPI and the Turnover KPI that the counterparty is required to report for each environmental target under Delegated Regulation 2021/2178. To this end, reference was made to the most recent data available on the market subject to publication by the issuers, as acquired by specific infoproviders from which the Parent Bank uses;
- debt securities and equity instruments (including UCIs units) for which the same criteria as those set out in the previous subparagraphs have been adopted. In this regard, it should be noted that the units of CIUs where detailed information on their composition is available were considered on the basis of the characteristics of the underlying instruments.

Exposures to households

With respect to exposures to counterparties categorised as households, loans secured by residential property were considered eligible. For these loans, based on the detailed information acquired, the specific analyses were carried out to assess the alignment with the technical criteria for buildings (see Annex I, points 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7 of Delegated Regulation 2021/2139). Specifically, among the criteria adopted to consider the alignment of such exposures, the availability of the energy performance certificates of the properties securing the loan (“EPCs”)

⁴ The amount of the trading portfolio of the subsidiary CiviBank is not material.

and the measurement of the exposure of these properties to the physical climate/environmental risk were assumed as pre-requisites.

More specifically, the loans under review were defined as Taxonomy-aligned if the following requirements had been verified and met:

- a) Substantial Contribution (SC):
 - *Year of construction of the building before 31/12/2020*, energy class A or in the top 15% of the national or regional building stock in terms of primary energy demand (PED). For the identification of the first 15% of the national or regional real estate stock, in order to verify the Substantial Contribution relating to the environmental objective of Climate Change Mitigation (CCM), only energy classes A and B were taken into account, based on the information recorded within the SIAPE⁵ databases. Due to the territorial peculiarities where the Group operates, Casaclima certifications are also accepted for the Province of Bolzano (with respect to the above criteria, the A Gold, A, B classes have been taken into account) and for the Province of Trento the APE "TN province" certifications are also accepted (with respect to the above criteria, the A, A+, B, B+ classes have been taken into account);
 - *Year of construction of the building after 31/12/2020*, reduction of the building's primary energy demand by 10% compared to the primary energy demand of Nearly Zero Energy Buildings (NZEB). Specifically, the threshold identified for Taxonomy-aligned primary energy demand is 22.0 kWh/m² per year or less.
- b) Do No Significant Harm (DNSH) - Assessment of the climatic risks that may impact the property securing the loan, its vulnerability and possible adaptation solutions to reduce the risk. For the purpose of verifying compliance with DNSH, the physical risk score acquired from certified external providers associated with the secured properties was examined.

With regard to any financing represented by consumer credit for the purchase of motor vehicles complying with the technical screening criteria set forth in Annex I, point 6.5 of Delegated Regulation 2021/2139, it should be noted that the Parent Bank does not have any specific information. In any case, the potential eligible amount of this financing was deemed negligible, considering on the one hand the overall volume of financing granted to households for the purchase of durable goods and on the other hand the available market share of new registrations of electric/hybrid cars.

Exposures represented by loans and advances financing public housing and other specialised financing to public authorities

The following approach is used for exposures to public administrations:

- *"General Purpose"* exposures are assessed as non-eligible and therefore not aligned;
- *"Finalised"* exposures are assessed on the basis of the specific information that characterise the same in terms of use of income. Therefore, they were identified as:
 - eligible if the use of the loan is attributable to one or more activities provided for in Delegated Regulation 2021/2139 as amended;
 - aligned when the financed asset meets the technical screening criteria set out in the provisions.

Finally, it should be noted that, in order to comply with the comparative disclosure obligations set forth in paragraph 3 of Article 8 of Delegated Regulation 2021/2178, taking into account the regulatory discontinuity, the Parent Bank exclusively publishes the table of the Summary of KPIs as at 31 December 2024, specifying that these KPIs had previously been determined in accordance with the previous provisions.

⁵ Information System on Energy Performance Certificates

In short, with reference to the main KPI *"GAR (coefficient of green assets) for the stock"* of the Cassa di Risparmio di Bolzano, there was an increase as at 31 December 2025 compared to the previous year due to both the methodological changes due to Delegated Regulation 2026/73 and the increase in absolute terms in the amount of Taxonomy-aligned activities.

Annex VI – Template for the KPIs of credit institutions

Template 0 – Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation – as at 31/12/2025

		Total exposures to Taxonomy-aligned activities (currency)		KPI (1)(%)	KPI (2)(%)	% coverage (over total assets) (3)(%)	Exposures not measured (% of covered assets) (4)(%)	Exposures not measured (% of covered assets) (4)(%)
		Based on turnover	Based on CapEx	Based on turnover	Based on CapEx		Based on turnover	Based on CapEx
Main KPI	Green asset ratio (GAR) stock	262,416,010	293,983,841	4.75%	5.32%	34.62%	0.00%	0.00%

		Total exposures to Taxonomy-aligned activities (currency)		KPI (1)(%)	KPI (2)(%)	% coverage (over total assets) (3)(%)	Exposures not measured (% of covered assets) (4)(%)	Exposures not measured (% of covered assets) (4)(%)
		Based on turnover	Based on CapEx	Based on turnover	Based on CapEx		Based on turnover	Based on CapEx
Additional KPIs	GAR (flow)	96,508,377	107,809,789	7.25%	8.10%	23.59%	0.00%	0.00%
	Trading book							
	Financial guarantees	<i>n.r.</i>	<i>n.r.</i>	<i>n.r.</i>	<i>n.r.</i>	<i>n.r.</i>	<i>n.r.</i>	<i>n.r.</i>
	Assets under management	2,956,396	4,850,978	7.20%	11.81%	20.59%	0.00%	0.00%
	Revenues and commissions income (5)							

(1) Based on the turnover KPI of the counterparty.

(2) Based on the KPI relating to the capital expenditure 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) Revenues relating to commissions and compensation deriving from services other than loans and the management of financial assets.

Note 1: for all templates: the boxes in black do not have to be filled in.

Note 2: Fees and Commissions KPIs (sheet 6) and trading book (sheet 7) will only apply starting 2028.

Template 0 - Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation - as at 31 December 2024

The following table provides a summary of the KPIs as at 31 December 2024 determined in accordance with the previous provisions and published in the previous Sustainability Statement. The KPIs listed in the table do not therefore take into account the new provisions contained in Regulation no. 2026/73 of 4 July 2025.

		Million €					
		Total sustainable assets	KPI ****	KPI *****	Coverage % (over total assets) ***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and section 1.1.2 of Annex V)	% of assets excluded from the GAR denominator (Article 7(1) and section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	166	1.42%	1.80%	74.04%	42.36%	25.96%

		Total sustainable assets	KPI	KPI	Coverage % (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and section 1.1.2 of Annex V)	% of assets excluded from the GAR denominator (Article 7(1) and section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	68	2.16%	3.01%	67.52%	46.77%	32.48%
	Trading book *	-	-	-			
	Financial guarantees	-	-	-			
	Assets under management	2	2.92%	5.35%			
	Revenues and commissions income **	-	-	-			

*For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

**Revenues and commissions income from services other than lending and AuM

***% of assets covered by the KPI over banks' total assets

****based on the Turnover KPI of the counterparty

*****based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

Note 1: Fees and Commissions and Trading Book KPIs shall only apply starting 2026. SMEs' inclusion in these KPI will only apply subject to a positive result of an impact assessment.

Note 2: The Group has no financial guarantees to counterparties subject to disclosure requirements.

Template 1 – Assets for GAR calculation – Based on Turnover as at 31/12/2025 (1 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.
		Total [gross] carryin g amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown by environmental objective									Non- impaired exposure s	Of which to finance non- relevant activities of counterparti es (1)	Of which exposures that finance counterp. making the declaration referred to in Article 7 (9)	Of which no measured, considered irrelevant by the credit institution (2)
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceed s	Of which transitio nal	Of which enabling				
1	GAR – Covered assets in both numerator and denominator	5,523	3,594	262	239	0	0	23	0	-	191	3	10	-	-	-	-
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	5,523	3,594	262	239	0	0	23	0	-	191	3	10	-	-	-	-
3	Financial undertakings	1,067	214	21	21	0	0	0	0	-	-	1	4	-	-	-	-
4	Loans and advances	322	59	6	6	0	-	-	-	-	-	0	1	-	-	-	-
5	Debt securities, including use of income	657	146	13	13	0	0	-	0	-	-	1	1	-	-	-	-
6	Equity instruments	88	9	2	2	0	0	0	0	-	-	0	1	-	-	-	-
7	Non-financial undertakings	300	108	51	27	0	0	23	-	-	-	2	6	-	-	-	-
8	Loans and advances	171	63	29	6	0	-	23	-	-	-	2	1	-	-	-	-
9	Debt securities, including use of income	113	45	21	20	0	0	1	-	-	-	0	5	-	-	-	-
10	Equity instruments	16	0	0	0	0	-	0	-	-	-	-	-	-	-	-	-
11	Households	4,046	3,269	189	189	-	-	-	-	-	189	-	-	-	-	-	-
12	of which loans collateralised by residential immovable property	3,422	3,269	189	189	-	-	-	-	-	189	-	-	-	-	-	-
13	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Local government financing	110	2	2	2	-	-	-	-	-	2	-	-	-	-	-	-
16	Residential building financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Other loans to local governments	110	2	2	2	-	-	-	-	-	2	-	-	-	-	-	-
18	Collateral obtained by taking possession: residential and commercial properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Exposures included on a voluntary basis (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Total GAR assets	5,523												-	-	-	-

⁽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.

Notes to the financial statements:
1 Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

continued: Template 1 – Assets for GAR calculation – Based on Turnover as at 31/12/2025 (2 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.
		Total [gross] carryin g amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown by environmental objective									Non- impaired exposure s	Of which to finance non- relevant activities of counterparti es ⁽¹⁾	Of which exposures that finance counterp. making the declaration referred to in Article 7 (9)	Of which not measured, considered irrelevant by the credit institution (²)
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceed s	Of which transitio nal	Of which enabling				
21	Assets not included in the GAR calculation	10,428															
22	Central governments and supranational issuers	2,890															
23	Exposures due to central banks	826															
24	Trading book	41															
25	Companies and entities not subject to the CSRD	5,600															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	5,532															
27	Loans and advances	5,414															
28	of which loans collateralised by commercial immovable property	1,659															
29	of which building renovation loans	-															
30	Debt securities	54															
31	Equity instruments	64															
32	Non-EU counterparties not subject to the obligations of CSRD disclosure	68															
33	Loans and advances	33															
34	Debt securities	34															
35	Equity instruments	1															
36	Derivatives	59															
37	On demand interbank loans	74															
38	Cash and cash-related assets	69															
39	Other categories of assets (e.g. goodwill, commodities, etc.)	870															
40	Total assets	15,951															
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local public administrations																	
41	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	41	13	3	3	0	0	0	0	-	0	0	1	-	-	-	-
43	Of which debt securities	34	10	2	2	0	0	0	0	-	0	0	1	-	-	-	-
44	Of which equity instruments	7	3	1	0	0	0	0	0	-	0	0	0	-	-	-	-

⁽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.

Notes to the financial statements:

1 Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 1 – Assets for GAR calculation (stock) – Based on CapEx as at 31/12/2025 (1 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown by environmental objective									Non-impaired exposures	Of which to finance non-relevant activities of counterparties (1)	Of which exposures that finance counterpart. making the declaration referred to in Article 7 (9)	Of which not measured, considered irrelevant by the credit institution (2)
											Of which use of proceeds	Of which transitional	Of which enabling				
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)							
1	GAR - Covered assets in both numerator and denominator	5,523	3,632	294	272	1	1	20	0	-	191	5	38	-	-	-	-
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	5,523	3,632	294	272	1	1	20	0	-	191	5	38	-	-	-	-
3	Financial undertakings	1,067	225	24	23	0	0	0	0	-	-	1	6	-	-	-	-
4	Loans and advances	322	67	7	7	0	-	-	-	-	-	0	2	-	-	-	-
5	Debt securities, including use of income	657	148	14	14	0	0	0	-	-	-	1	3	-	-	-	-
6	Equity instruments	88	10	3	2	0	0	0	0	-	-	0	1	-	-	-	-
7	Non-financial undertakings	300	136	79	58	1	1	20	-	-	-	4	32	-	-		-
8	Loans and advances	171	68	36	17	0	-	19	-	-	-	3	5	-	-		-
9	Debt securities, including use of income	113	67	43	41	0	1	1	-	-	-	0	27	-	-		-
10	Equity instruments	16	0	0	0	-	-	-	-	-	-	0	0	-	-		-
11	Households	4,046	3,269	189	189	-		-			189	-	-	-	-		-
12	of which loans collateralised by residential immovable property	3,422	3,269	189	189	-		-			189	-	-	-	-		-
13	of which building renovation loans	-	-	-	-	-		-			-	-	-	-	-		-
14	of which motor vehicle loans	-	-	-	-						-	-	-	-	-		-
15	Local government financing	110	2	2	2	-	-	-	-	-	2	-	-	-	-		-
16	Residential building financing	-	-	-	-	-		-			-	-	-	-	-		-
17	Other loans to local governments	110	2	2	2	-	-	-	-	-	2	-	-	-	-		-
18	Collateral obtained by taking possession: residential and commercial properties	-	-	-	-	-		-			-	-	-	-	-		-
19	Exposures included on a voluntary basis (3)	-	-	-	-	-		-			-	-	-	-	-		-
20	Total GAR assets	5,523												-	-	-	-

⁽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.

Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

continued: Template 1 – Assets for GAR calculation (stock) – Based on CapEx as at 31/12/2025 (2 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.	
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown by environmental objective							Of which use of proceeds	Of which transitional	Of which enabling	Non-impaired exposures	Of which to finance non-relevant activities of counterparties (1)	Of which exposures that finance counterpart. making the declaration referred to in Article 7 (9)	Of which not measured, considered irrelevant by the credit institution (2)
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)								
21	Assets not included in the GAR calculation	10,428																
22	Central governments and supranational issuers	2,890																
23	Exposures due to central banks	826																
24	Trading book	41																
25	Companies and entities not subject to the CSRD	5,600																
26	SMEs and non-financial undertakings (other than SMEs) not subject to CSRD disclosure requirements	5,532																
27	Loans and advances	5,414																
28	of which loans collateralised by commercial immovable property	1,659																
29	of which building renovation loans	-																
30	Debt securities	54																
31	Equity instruments	64																
32	Non-EU counterparties not subject to the obligations of CSRD disclosure	68																
33	Loans and advances	33																
34	Debt securities	34																
35	Equity instruments	1																
36	Derivatives	59																
37	On demand interbank loans	74																
38	Cash and cash-related assets	69																
39	Other categories of assets (e.g. goodwill, commodities, etc.)	870																
40	Total assets	15,951																
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local public administrations																		
41	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
42	Assets under management	41	14	5	5	0	0	0	0	0	-	0	3	-	-	-	-	
43	Of which debt securities	34	11	4	4	0	0	0	0	0	-	0	2	-	-	-	-	
44	Of which equity instruments	7	3	1	1	0	0	0	0	-	-	0	0	-	-	-	-	

⁽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.

Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 1 – Assets for GAR calculation (flow) – Based on Turnover as at 31/12/2025 (1 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.
		Total [gross] carryin g amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown by environmental objective									Non- impaired exposur es	Of which to finance non- relevant activities of counterp arties ⁽¹⁾	Of which exposures that finance counterp. making the declaration referred to in Article 7 (9)	Of which not measured, considered irrelevan t by the credit institution (2)
											Of which use of proceed s	Of which transitio nal	Of which enabling				
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)							
1	GAR – Covered assets in both numerator and denominator	1,330	584	97	73	0	0	23	0	0	52	1	5	0	0	0	0
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	1,330	584	97	73	0	0	23	0	0	52	1	5	0	0	0	0
3	Financial undertakings	440	94	8	8	0	0	0	0	0	0	1	1	0	0	0	0
4	Loans and advances	36	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including use of income	395	91	7	7	0	0	0	0	0	0	1	1	0	0	0	0
6	Equity instruments	8	2	0	0	0	0	0	0	0		0	0	0	0	0	0
7	Non-financial undertakings	160	62	37	13	0	0	23	0	0	0	0	4	0	0		0
8	Loans and advances	90	30	26	4	0	0	23	0	0	0	0	1	0	0		0
9	Debt securities, including use of income	70	32	11	10	0	0	1	0	0	0	0	3	0	0		0
10	Equity instruments	0	0	0	0	0	0	0	0	0		0	0	0	0		0
11	Households	671	426	50	50	0		0			50	0	0	0	0		0
12	of which loans collateralised by residential immovable property	426	426	50	50	0		0			50	0	0	0	0		0
13	of which building renovation loans	0	0	0	0	0		0			0	0	0	0	0		0
14	of which motor vehicle loans	0	0	0	0						0	0	0	0	0		0
15	Local government financing	60	2	2	2	0	0	0	0	0	2	0	0	0	0		0
16	Residential building financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
17	Other loans to local governments	60	2	2	2	0	0	0	0	0	2	0	0	0	0		0
18	Collateral obtained by taking possession: residential and commercial properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
19	Exposures included on a voluntary basis ⁽³⁾	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
20	Total GAR assets	1,330												0	0	0	0

⁽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.

Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

continued: Template 1 – Assets for GAR calculation (flow) – Based on Turnover as at 31/12/2025 (2 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.
		Total [gross] carryin g amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown by environmental objective									Non- impaired exposure s	Of which to finance non- relevant activities of counterp arties ⁽¹⁾	Of which exposures that finance counterp. making the declaration referred to in Article 7 (9)	Of which not measured, considere d irrelevant by the credit institution ⁽²⁾
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceed s	Of which transitio nal	Of which enabling				
21	Assets not included in the GAR calculation	4,309															
22	Central governments and supranational issuers	1,050															
23	Exposures due to central banks	710															
24	Trading book	144															
25	Companies and entities not subject to the CSRD	2,255															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	2,217															
27	Loans and advances	2,202															
28	of which loans collateralised by commercial immovable property	200															
29	of which building renovation loans	0															
30	Debt securities	6															
31	Equity instruments	9															
32	Non-EU counterparties not subject to the obligations of CSRD disclosure	38															
33	Loans and advances	34															
34	Debt securities	4															
35	Equity instruments	0															
36	Derivatives	6															
37	On demand interbank loans	74															
38	Cash and cash-related assets	69															
39	Other categories of assets (e.g. goodwill, commodities, etc.)	0															
40	Total assets	5,640															
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local public administrations																	
41	Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Assets under management	25	8	2	2	0	0	0	0	0	0	0	1	0	0	0	0
43	Of which debt securities	20	7	1	1	0	0	0	0	0	0	0	1	0	0	0	0
44	Of which equity instruments	5	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0

⁽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.

Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 1 – Assets for GAR calculation (flow) – Based on CapEx as at 31/12/2025 (1 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown by environmental objective									Non-impaired exposures	Of which to finance non-relevant activities of counterparties (1)	Of which exposures that finance counterpart. making the declaration referred to in Article 7 (9)	Of which not measured, considered irrelevant by the credit institution (2)
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling				
1	GAR – Covered assets in both numerator and denominator	1,330	604	108	87	0	1	19	0	0	52	1	18	0	0	0	0
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	1,330	604	108	87	0	1	19	0	0	52	1	18	0	0	0	0
3	Financial undertakings	440	102	9	9	0	0	0	0	0	0	1	2	0	0	0	0
4	Loans and advances	36	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Debt securities, including use of income	395	92	8	8	0	0	0	0	0	0	1	2	0	0	0	0
6	Equity instruments	8	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Non-financial undertakings	160	74	47	26	0	1	19	0	0	0	0	16	0	0	0	0
8	Loans and advances	90	36	27	9	0	0	18	0	0	0	0	4	0	0	0	0
9	Debt securities, including use of income	70	38	19	17	0	1	1	0	0	0	0	12	0	0	0	0
10	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Households	671	426	50	50	0	0	0	0	0	50	0	0	0	0	0	0
12	of which loans collateralised by residential immovable property	426	426	50	50	0	0	0	0	0	50	0	0	0	0	0	0
13	of which building renovation loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	of which motor vehicle loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Local government financing	60	2	2	2	0	0	0	0	0	2	0	0	0	0	0	0
16	Residential building financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Other loans to local governments	60	2	2	2	0	0	0	0	0	2	0	0	0	0	0	0
18	Collateral obtained by taking possession: residential and commercial properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Exposures included on a voluntary basis (3)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Total GAR assets	1,330															

(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.

Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

continued: Template 1 – Assets for GAR calculation (stock) – Based on CapEx as at 31/12/2025 (2 di 2)

EUR millions		a.	b.	c.	d.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	o.	p.
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown by environmental objective									Non-impaired exposures	Of which to finance non-relevant activities of counterparties ⁽¹⁾	Of which exposures that finance counterpart. making the declaration referred to in Article 7 (9)	Of which not measured, considered irrelevant by the credit institution ⁽²⁾
					Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling				
21	Assets not included in the GAR calculation	4,309															
22	Central governments and supranational issuers	1,050															
23	Exposures due to central banks	710															
24	Trading book	144															
25	Companies and entities not subject to the CSRD	2,255															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	2,217															
27	Loans and advances	2,202															
28	of which loans collateralised by commercial immovable property	200															
29	of which building renovation loans	0															
30	Debt securities	6															
31	Equity instruments	9															
32	Non-EU counterparties not subject to the obligations of CSRD disclosure	38															
33	Loans and advances	34															
34	Debt securities	4															
35	Equity instruments	0															
36	Derivatives	6															
37	On demand interbank loans	74															
38	Cash and cash-related assets	69															
39	Other categories of assets (e.g. goodwill, commodities, etc.)	0															
40	Total assets	5,640															
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local public administrations																	
41	Financial guarantees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Assets under management	25	10	3	3	0	0	0	0	0	0	0	2	0	0	0	0
43	Of which debt securities	20	8	2	2	0	0	0	0	0	0	0	1	0	0	0	0
44	Of which equity instruments	5	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0

⁽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.

Notes to the financial statements:

- The following accounting categories of financial assets should be taken into account: financial assets at amortised cost, financial assets at fair value recognised in other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit (loss) for the year and financial assets not for trading mandatorily at fair value through profit (loss), real estate guarantees obtained by credit institutions by taking possession in exchange for the cancellation of debts.
- Credit institutions replicate this model for reporting stock information for the GaR calculation and new asset information for the GaR calculation (flow).
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 2 - sector information as at 31.12.2025 (stock) - Based on Turnover

a. Breakdown by sector - NACE level (code and label) Million €			b. Total [gross] carrying amount	c. Of which Taxonomy- eligible	d. Of which Taxonomy- aligned	e. Climate change mitigation (CCM)	f. Climate change adaptation (CCA)	g. Water and marine resources (WTR)	h. Circular economy (EC)	i. Pollution (PPC)	j. Biodiversity and ecosystems (BIO)
1	35,11	Production of electricity	51	16	16	15	0	0	0	-	-
2	64,30	Trust companies, funds and other similar companies	28	22	2	2	-	-	0	-	-
3	27,90	Manufacture of other electrical equipment	25	24	22	-	-	-	22	-	-
4	20,6	Manufacture of man-made fibres	24	3	1	0	-	-	0	-	-
5	62,10	Computer programming activities	21	12	2	2	0	-	-	-	-
6	10,61	Processing of grains	20	-	-	-	-	-	-	-	-
7	20,42	Manufacture of perfumes and cosmetics	16	-	-	-	-	-	-	-	-
8	30,11	Building of ships and floating structures	11	2	0	0	-	-	-	-	-
9	70,10	Activities of holding companies engaged in management activities (operational holding companies)	11	3	3	3	-	-	-	-	-
10	38,33	Hazardous waste treatment and disposal	11	8	-	-	-	-	-	-	-
Nuclear activities ⁽¹⁾			1	1	1						
Activities in the fossil gas sector ⁽²⁾			1	1	0						
Of which non-impaired exposures ⁽³⁾			-								

(1) Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

(2) 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.

Notes to the financial statements:

- In this template, credit institutions disclose information on the ten main exposures in the banking book to the ten main sectors covered by the taxonomy (level of detail: 4-digit NaCE sectors), using the relevant NaCE code according to the main counterparty activity.
- The allocation of the counterparty's NaCE sector is based exclusively on the nature of the immediate counterparty. Exposures contracted jointly by several borrowers are classified based on the characteristics of the most relevant, or key, borrower for the institution to grant the exposure. The distribution by NaCE code of contracted exposures is jointly determined by the characteristics of the most relevant or key debtor. Institutions shall communicate the information by NaCE code with the level of disaggregation required in the template.
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 2 - GAR sector information as at 31/12/2025 (stock) - Based on CapEx

a.			b.	c.	d.	e.	f.	g.	h.	i.	j.
Breakdown by sector - NACE level (code and label)			Total [gross] carrying amount	Of which Taxonomy- eligible	Of which Taxonomy- aligned	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
Million €											
1	35,11	Production of electricity	51	36	33	31	0	1	1	-	-
2	64,30	Trust companies, funds and other similar companies	28	18	4	4	-	-	0	-	-
3	27,90	Manufacture of other electrical equipment	25	21	18	-	-	-	18	-	-
4	20,6	Manufacture of man-made fibres	24	6	4	4	-	-	0	-	-
5	62,10	Computer programming activities	21	9	3	3	0	-	-	-	-
6	10,61	Processing of grains	20	2	-	-	-	-	-	-	-
7	20,42	Manufacture of perfumes and cosmetics	16	4	0	0	-	-	-	-	-
8	30,11	Building of ships and floating structures	11	1	0	0	-	-	0	-	-
9	70,10	Activities of holding companies engaged in management activities (operational holding companies)	11	8	7	7	-	-	-	-	-
10	38,33	Hazardous waste treatment and disposal	11	7	-	-	-	-	-	-	-
Nuclear activities ⁽¹⁾			0	0	0						
Activities in the fossil gas sector ⁽²⁾			0	0	0						
Of which non-impaired exposures ⁽³⁾			-								

(1) Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

(2) 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.

Notes to the financial statements:

- In this template, credit institutions disclose information on the ten main exposures in the banking book to the ten main sectors covered by the taxonomy (level of detail: 4-digit NaCE sectors), using the relevant NaCE code according to the main counterparty activity.
- The allocation of the counterparty's NaCE sector is based exclusively on the nature of the immediate counterparty. Exposures contracted jointly by several borrowers are classified based on the characteristics of the most relevant, or key, borrower for the institution to grant the exposure. The distribution by NaCE code of contracted exposures is jointly determined by the characteristics of the most relevant or key debtor. Institutions shall communicate the information by NaCE code with the level of disaggregation required in the template.
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 3 – GAR KPI (stock) as at 31/12/2025 – Based on Turnover

% (of the corresponding total of covered assets covered in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective						Of which use of proceeds	Of which transitional	Of which enabling	Taxonomy-aligned share of total Taxonomy-eligible	Non-impaired exposures (1)
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	GAR – Covered assets in both numerator and denominator	65.07%	4.75%	4.32%	0.00%	0.00%	0.42%	0.00%	0.00%	3.46%	0.06%	0.18%	7.30%	0.00%
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	65.07%	4.75%	4.32%	0.00%	0.00%	0.42%	0.00%	0.00%	3.46%	0.06%	0.18%	7.30%	0.00%
3	Financial undertakings	3.88%	0.38%	0.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.07%	0.58%	0.00%
4	Loans and advances	1.07%	0.11%	0.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.03%	0.17%	0.00%
5	Debt securities, including use of income	2.64%	0.23%	0.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.03%	0.35%	0.00%
6	Equity instruments	0.17%	0.04%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.01%	0.06%	0.00%
7	Non-financial undertakings	1.96%	0.91%	0.49%	0.00%	0.00%	0.42%	0.00%	0.00%	0.00%	0.03%	0.12%	1.41%	0.00%
8	Loans and advances	1.13%	0.53%	0.12%	0.00%	0.00%	0.41%	0.00%	0.00%	0.00%	0.03%	0.02%	0.81%	0.00%
9	Debt securities, including use of income	0.82%	0.39%	0.37%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.10%	0.59%	0.00%
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
11	Households	59.19%	3.42%	3.42%	0.00%		0.00%			3.42%	0.00%	0.00%	5.26%	0.00%
12	of which loans collateralised by residential immovable property	59.19%	3.42%	3.42%	0.00%		0.00%			3.42%	0.00%	0.00%	5.26%	0.00%
13	of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
14	of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%
15	Local government financing	0.04%	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.06%	0.00%
16	Residential building financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
17	other loans to local governments	0.04%	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.06%	0.00%
18	Collateral obtained by taking possession: residential and commercial properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
19	Exposures included on a voluntary basis (2)	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
20	GAR – Total GAR assets	65.07%	4.75%	4.32%	0.00%	0.00%	0.42%	0.00%	0.00%	3.46%	0.06%	0.18%	7.30%	0.00%

(1) In accordance with Article 7(8) of this Regulation.

(2) In accordance with Article 7(3) of this Regulation.

Notes to the financial statements:

- In this template, the institution communicates the GaR KPIs on the stock of exposures calculated from the data reported in template 1 on the hedged assets.
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 3 - GAR KPI (stock) as at 31/12/2025 - Based on CapEx

% (of the corresponding total of covered assets covered in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective						Of which use of proceeds	Of which transitional	Of which enabling	Taxonomy-aligned share of total Taxonomy-eligible	Non-impaired exposures ⁽¹⁾
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	GAR - Covered assets in both numerator and denominator	65.77%	5.32%	4.93%	0.01%	0.02%	0.36%	0.00%	0.00%	3.46%	0.09%	0.68%	8.09%	0.00%
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	65.77%	5.32%	4.93%	0.01%	0.02%	0.36%	0.00%	0.00%	3.46%	0.09%	0.68%	8.09%	0.00%
3	Financial undertakings	4.08%	0.43%	0.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.10%	0.65%	0.00%
4	Loans and advances	1.21%	0.12%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.03%	0.19%	0.00%
5	Debt securities, including use of income	2.68%	0.26%	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.05%	0.39%	0.00%
6	Equity instruments	0.19%	0.05%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.02%	0.07%	0.00%
7	Non-financial undertakings	2.46%	1.43%	1.05%	0.01%	0.02%	0.36%	0.00%	0.00%	0.00%	0.06%	0.58%	2.18%	0.00%
8	Loans and advances	1.24%	0.65%	0.31%	0.00%	0.00%	0.34%	0.00%	0.00%	0.00%	0.06%	0.09%	0.99%	0.00%
9	Debt securities, including use of income	1.21%	0.78%	0.74%	0.01%	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.48%	1.19%	0.00%
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
11	Households	59.19%	3.42%	3.42%	0.00%		0.00%			3.42%	0.00%	0.00%	5.20%	0.00%
12	of which loans collateralised by residential immovable property	59.19%	3.42%	3.42%	0.00%		0.00%			3.42%	0.00%	0.00%	5.20%	0.00%
13	of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
14	of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%
15	Local government financing	0.04%	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.06%	0.00%
16	Residential building financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
17	other loans to local governments	0.04%	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.06%	0.00%
18	Collateral obtained by taking possession: residential and commercial properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
19	Exposures included on a voluntary basis ⁽²⁾	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
20	GAR - Total GAR assets	65.79%	5.32%	4.93%	0.01%	0.02%	0.36%	0.00%	0.00%	3.46%	0.09%	0.68%	8.09%	0.00%

⁽¹⁾ In accordance with Article 7(8) of this Regulation.

⁽²⁾ In accordance with Article 7(3) of this Regulation.

Notes to the financial statements:

- In this template, the institution communicates the Gar KPIs on the stock of exposures calculated from the data reported in template 1 on the hedged assets.
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 4 - GAR KPI (flow) - Based on Turnover

% (of the corresponding total of covered assets covered in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m	
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective							Of which use of proceeds	Of which transitional	Of which enabling	Taxonomy-aligned share of total Taxonomy-eligible	Non-impaired exposures ⁽¹⁾
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)						
1	GAR – Covered assets in both numerator and denominator	43.90%	7.25%	5.49%	0.01%	0.01%	1.75%	0.00%	0.00%	3.90%	0.04%	0.40%	16.53%	0.00%	
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	43.90%	7.25%	5.49%	0.01%	0.01%	1.75%	0.00%	0.00%	3.90%	0.04%	0.40%	16.53%	0.00%	
3	Financial undertakings	7.09%	0.60%	0.59%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.09%	1.36%	0.00%	
4	Loans and advances	0.17%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%	
5	Debt securities, including use of income	6.80%	0.55%	0.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.07%	1.25%	0.00%	
6	Equity instruments	0.12%	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.01%	0.07%	0.00%	
7	Non-financial undertakings	4.63%	2.76%	1.00%	0.00%	0.01%	1.75%	0.00%	0.00%	0.00%	0.00%	0.31%	6.29%	0.00%	
8	Loans and advances	2.25%	1.96%	0.27%	0.00%	0.00%	1.70%	0.00%	0.00%	0.00%	0.00%	0.07%	4.48%	0.00%	
9	Debt securities, including use of income	2.37%	0.79%	0.73%	0.00%	0.01%	0.05%	0.00%	0.00%	0.00%	0.00%	0.24%	1.81%	0.00%	
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	
11	Households	32.02%	3.74%	3.74%	0.00%		0.00%			3.74%	0.00%	0.00%	8.52%	0.00%	
12	of which loans collateralised by residential immovable property	32.02%	3.74%	3.74%	0.00%		0.00%			3.74%	0.00%	0.00%	8.52%	0.00%	
13	of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%	
14	of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%	
15	Local government financing	0.16%	0.16%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%	0.00%	0.00%	0.36%	0.00%	
16	Residential building financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%	
17	other loans to local governments	0.16%	0.16%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%	0.00%	0.00%	0.36%	0.00%	
18	Collateral obtained by taking possession: residential and commercial properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%	
19	Exposures included on a voluntary basis ⁽²⁾	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%		
20	GAR – Total GAR assets	43.90%	7.25%	5.49%	0.01%	0.01%	1.75%	0.00%	0.00%	3.90%	0.04%	0.40%	16.53%	0.00%	

⁽¹⁾ In accordance with Article 7(8) of this Regulation.

⁽²⁾ In accordance with Article 7(3) of this Regulation.

Notes to the financial statements:

1. In this template, the entity communicates the GaR KPIs on the flow of new loans and advances, debt securities, equity instruments and collateral recovered during the financial year prior to the reporting date, calculated from the data reported in Template 1 on the hedged assets.
2. Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 4 – GAR KPI flow – Based on CapEx

	% (of the corresponding total of covered assets covered in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective						Of which use of proceeds	Of which transitional	Of which enabling	Taxonomy-aligned share of total Taxonomy-eligible	Non-impaired exposures ⁽¹⁾
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	GAR – Covered assets in both numerator and denominator	45.36%	8.10%	6.55%	0.01%	0.08%	1.46%	0.00%	0.00%	3.90%	0.06%	1.37%	17.86%	0.00%
2	Loans and advances, debt securities and equity instruments not held for trading eligible in the GAR calculation	45.36%	8.10%	6.55%	0.01%	0.08%	1.46%	0.00%	0.00%	3.90%	0.06%	1.37%	17.86%	0.00%
3	Financial undertakings	7.65%	0.70%	0.69%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.15%	1.54%	0.00%
4	Loans and advances	0.61%	0.03%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.06%	0.00%
5	Debt securities, including use of income	6.91%	0.64%	0.63%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.13%	1.41%	0.00%
6	Equity instruments	0.13%	0.04%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.02%	0.08%	0.00%
7	Non-financial undertakings	5.53%	3.50%	1.96%	0.00%	0.08%	1.46%	0.00%	0.00%	0.00%	0.00%	1.21%	7.73%	0.00%
8	Loans and advances	2.70%	2.06%	0.67%	0.00%	0.00%	1.39%	0.00%	0.00%	0.00%	0.00%	0.29%	4.54%	0.00%
9	Debt securities, including use of income	2.83%	1.45%	1.29%	0.00%	0.08%	0.07%	0.00%	0.00%	0.00%	0.00%	0.92%	3.19%	0.00%
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
11	Households	32.02%	3.74%	3.74%	0.00%		0.00%			3.74%	0.00%	0.00%	8.25%	0.00%
12	of which loans collateralised by residential immovable property	32.02%	3.74%	3.74%	0.00%		0.00%			3.74%	0.00%	0.00%	8.25%	0.00%
13	of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
14	of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%
15	Local government financing	0.16%	0.16%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%	0.00%	0.00%	0.35%	0.00%
16	Residential building financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
17	other loans to local governments	0.16%	0.16%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%	0.00%	0.00%	0.35%	0.00%
18	Collateral obtained by taking possession: residential and commercial properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
19	Exposures included on a voluntary basis ⁽²⁾	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	
20	GAR – Total GAR assets	45.36%	8.10%	6.55%	0.01%	0.08%	1.46%	0.00%	0.00%	3.90%	0.06%	1.37%	17.86%	0.00%

⁽¹⁾ In accordance with Article 7(8) of this Regulation.

⁽²⁾ In accordance with Article 7(3) of this Regulation.

Notes to the financial statements:

- In this template, the entity communicates the GaR KPIs on the flow of new loans and advances, debt securities, equity instruments and collateral recovered during the financial year prior to the reporting date, calculated from the data reported in Template 1 on the hedged assets.
- Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 5 - KPI off-balance sheet exposures (stock) - Based on Turnover

% (out of the corresponding total of off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective						Of which use of proceeds	Of which transitional	Of which enabling	Non-impaired exposures ⁽¹⁾
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	30.72%	7.20%	6.97%	0.05%	0.01%	0.15%	0.01%	0.00%	0.01%	0.53%	3.48%	0.00%

Template 5 - Off-balance sheet exposures (stock) - Based on CapEx

% (out of the corresponding total of off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective						Of which use of proceeds	Of which transitional	Of which enabling	Non-impaired exposures ⁽¹⁾
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	34.66%	11.81%	11.51%	0.21%	0.01%	0.09%	0.00%	0.00%	0.00%	0.79%	6.24%	0.00%

⁽¹⁾ In accordance with Article 7(8) of this Regulation.

Notes to the financial statements:

1. In this template, the institution communicates KPIs for off-balance sheet exposures (financial guarantees and managed financial assets) calculated from the data reported in template 1 on the hedged assets.
2. Institutions replicate this template for reporting stock and flow-related KPIs for off-balance sheet exposures.
3. Credit institutions replicate this model for information based on turnover and capital expenditure.

Template 5 - Off-balance sheet exposures (flow) - Based on Turnover

	% (out of the corresponding total of off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective						Of which use of proceeds	Of which transitional	Of which enabling	Non-impaired exposures (*)
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	33.90%	7.67%	7.32%	0.06%	0.02%	0.25%	0.02%	0.00%	0.01%	0.50%	4.14%	0.00%

Template 5 - Off-balance sheet exposures (flow) - Based on CapEx

	% (out of the corresponding total of off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective						Of which use of proceeds	Of which transitional	Of which enabling	Non-impaired exposures (*)
				Climate change mitigation (CCM)	Climate change adaptation (CCa)	Water and marine resources (WTR)	Circular economy (EC)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	38.84%	12.12%	11.75%	0.20%	0.03%	0.12%	0.03%	0.00%	0.00%	0.67%	6.13%	0.00%

(*) In accordance with Article 7(8) of this Regulation.

Notes to the financial statements:

1. In this template, the institution communicates KPIs for off-balance sheet exposures (financial guarantees and managed financial assets) calculated from the data reported in template 1 on the hedged assets.
2. Institutions replicate this template for reporting stock and flow-related KPIs for off-balance sheet exposures.
3. Credit institutions replicate this model for information based on turnover and capital expenditure.

Climate Change

E1.GOV-3 – Integration of sustainability-related performance in incentive schemes

For details on remuneration policies linked to sustainability objectives, and in particular climate objectives, see the chapter 1.2.1. Remuneration policies.

E1-1 – Transition plan for climate change mitigation

The Group has not yet adopted a comprehensive Transition Plan. The Sparkasse Group is committed to defining a Transition Plan in the medium term.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic "*Climate change*", the following table shows the impacts, risks and opportunities ("IROs") identified by the Group.

Climate change			
IRO description	IRO Type	Time horizon	Coverage ⁶
Contribution to climate change including through the credit/financing process and the composition of the securities portfolio to high-emission counterparties	Negative impact (Potential)	Medium	D-VC;
Acceleration of the climate change process through direct and indirect greenhouse gas emissions, including as a result of the potential increase in energy consumption	Negative impact (Potential)	S-T	OO;
Contribution to adaptation and climate change mitigation including through the credit/financing process and the composition of the securities portfolio	Positive impact (Potential)	Medium	D-VC;
Promotion of energy efficiency initiatives and use of renewable energy	Positive impact (Actual and Potential)	Medium	OO;
Physical risks with financial consequences in terms of destroyed property, repair costs and impacts on the Group's business profiles (e.g. branches unusable due to flooding, business downtime due to adverse weather events, etc.)	Risk	S-T	D-VC;
Transition risks that relate to the financial loss due to the shift towards a low-carbon economy, with consequent efforts and costs in terms of adaptation and change of strategy (e.g. non-compliance costs, change in customers' purchasing preferences...)	Risk	S-T	D-VC;
Cost savings/increased revenue through appropriate climate change mitigation and adaptation actions (e.g. by reducing energy consumption and/or increasing low-carbon products and services)	Opportunities	Medium	D-VC;
Strengthening of the credit and investment process by integrating the assessment of climate change issues with reference to customers/counterparties	Opportunities	Medium	D-VC;

The Group is aware of the increasing importance that climate change represents globally; in this regard, it has defined a process aimed at identifying, managing and monitoring the risks associated with it, as well as implementing internal and external initiatives to promote responsible behaviour in this area.

The definition of climate and environmental risks includes two main risk drivers: transition risk and physical risk. To this end, consistent with the processes of analysis of the operational context and identification of the risks that the Group carries out in compliance with the requirements of the Bank of Italy Circular no. 285/2013, as well as in alignment with the supervisory requirements set out in the Bank of Italy's document "Supervisory Expectations on

⁶ Abbreviations relating to the level of value chain (VC) coverage: ("OO": Own Operations); ("U-VC": Upstream Value Chain); ("D-VC": Downstream Value Chain)

Climate and Environmental Risks”, the Group has integrated these risk factors into its risk map, identifying the cases of “traditional” financial risks potentially impacted and typically credit risk, operational risk, liquidity risk and market risk, as shown in the table below.

Type of climate change risk			
Credit risk borne by the Group related to exposure to: • counterparties subject to physical climate risks (real estate pledged as collateral, registered offices, legal or operational); • sectors affected by transition constraints that may alter the financial balance and solvency of counterparties or customers (regulatory, market and technological developments necessary for the transition to a low-carbon economy)	Credit risk	Downstream value chain	Physical risk and transition risk
Risk of extreme weather events (e.g. significant flood) which could compromise the business continuity of intermediaries (e.g. damage to commercial premises or servers), with consequent operational losses	Operational risk	Own operations	Physical risk
Risk of possible impact on liquidity reserves following draws from current accounts, credit lines and/or customer deposits during adverse weather events	Liquidity risk	Downstream value chain	Physical risk
Risk of changes in market expectations, price volatility and impairment of assets following adverse weather events; risk arising from regulatory changes aimed at accelerating the process of transition to a circular economy that could result in a reduction in value and/or an increase in price volatility of securities issued by “brown” issuers	Market risk	Downstream value chain	Physical risk and transition risk

Based on the results of the materiality analysis and in line with the Group’s business model, the main area identified as material is the loan portfolio and collateralised real estate assets (area of credit risk) for both physical and transition risk.

It should be noted that to date the Group has not conducted a specific analysis on the resilience of the strategy and business model.

Nevertheless, for the purposes of preparing the ICAAP-ILAAP Report, the Parent Bank carries out a stress test exercise (sensitivity analysis) to assess the impact of the physical risk and transition risk component on the Group’s loan portfolio, measuring the impact on the expected loss (ECL).

With regard to physical risk, a “stress” LGD was assumed for the definition of the adverse scenario, reflecting the worsening of recovery rates on mortgage exposures with a “High” and “Very High” physical risk associated with collateral properties, compared to what was adopted in the normal course of business (current view). The increase in LGD was then applied to the adjustment rates of the positions in scope on the reference date.

With reference to the database used to define the stress LGD for ICAAP purposes, the following shocks set out by the ECB in the “2022 Climate Risk Stress Test” were applied to mortgage-backed exposures:

- Mortgage-backed commercial real estate (CRE) portfolio: - 43% if the physical risk is “High” and “Very High”;
- mortgage-backed commercial real estate (CRE) portfolio: - 45% if the physical risk is “High” and “Very High”.

As regards transition risk, a ‘*what if*’ analysis was carried out for the definition of the adverse scenario, assuming that positions with an associated “High” and “Very High” transition risk, with the same counterparty rating, were artificially classed as Stage 2.

According to the results obtained as part of the ICAAP-ILAAP Report as at 31/12/2024, also confirmed by an analysis of data updated as at 31/12/2025, consistent with the methodological approach adopted for the assessment of financial materiality, the impact of climate change (risk assessment) on the loan portfolio was assessed, on a scale of four ratings as “Medium High” in terms of profitability (higher cost of credit) and “Medium Low” in terms of share capital.

Also in the area of liquidity risk, the ICAAP-ILAAP Report as at 31/12/2024 carried out a stress (sensitivity analysis) exercise on the depositors' portfolio, as in 2023. This stress test took into account a potential reduction in liquidity resulting from the reduction in the value of residential real estate assets subject to a high flood risk.

Physical risk was assessed using a property geolocation exercise, which made it possible to assign a degree of risk according to the ISPRA Maps.

For the purposes of the analysis, only individual counterparties subject to "High" flood risk with homes in Emilia-Romagna, Friuli-Venezia Giulia, Lombardy, Veneto and Trentino-Alto Adige, the regions with the most significant amounts/sales, were considered.

The reduction in liquidity was therefore assumed to be equal to the reduction in property value resulting from the extreme flooding event, using as a proxy the estimated percentage reductions reported in the "2022 Climate Risk Stress Test" paper published by the EBA (-45% price shock on residential real estate).

The results showed a low risk of liquidity outflows from an extreme flood event on residential properties involving individual counterparties.

The stress test analyses described above are part of the path that the Group has undertaken aimed at defining a framework for climate stress tests. In this regard, a specific project was defined that will be launched in 2026, aimed at introducing the climate scenarios "Network for Greening the Financial System (NGFS)" to assess the impact of climate risks on credit risk parameters, in particular the Probability of Default (PD) and the Loss Given Default (LGD) used to calculate the expected loss.

E1.IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The Sparkasse Group, in view of its business model, has identified the impacts, risks and opportunities described in the table above. The Group's direct GHG emissions mainly refer to its operating properties. These emissions are low and mainly relate to renewable electricity consumption and, on a residual basis, the use of gas to power certain boilers that are in the process of being replaced by heat pumps. Limited to CiviBank's headquarters, part of the direct emissions come from a third-party trigeneration plant, from which we purchase thermal/cooling and electrical energy. Indirect GHG emissions, which are higher, arise mainly from financing activities with customers and from the securities portfolio owned by the Group. It is specified that for the identification of acute physical risks, the time horizon is short term while for chronic physical risks, the time horizon is medium-long term. When it comes to transition risk, the time horizon is short term. For details of the process of impact identification and analysis, see Chapter 1.

The integration of ESG risks, and in particular climate change risk, into the risk management framework is mainly achieved through:

- the introduction of climate and environmental risks into the risk map;
- a materiality analysis to assess the significance of climate and environmental risk factors (physical risk and transition risk);
- conducting management stress tests (sensitivity of physical risk and transition risk) to assess the impacts of these risks in terms of capital adequacy and liquidity management;
- the definition of specific RAF limits and operational limits within the Risk Appetite Framework (RAF);
- the introduction of overlay management measures for the classification in Stage 2 of all those counterparties that, in addition to reporting a high level of transition risk ("High" and "Very High" CCRS Transition Score) or a high level of physical climate risk ("High" and "Very High" Acute Physical Risk Score), report a material credit risk ("High" risk cluster and slipping to Stage 2 for Corporate and Retail Companies);

- the monitoring of ESG risks according to the different risk categories (including credit risk, market risk, operational risk), with particular reference to climate and environmental risks.

The Risk Appetite Framework (RAF) has introduced new RAF limits, operational limits and risk indicators to monitor and assess the main risks related to ESG issues, with a focus on climate and environmental risks.

In this regard, a set of indicators and operational limits for the Group and for the two Group Banks have been identified for credit risk in order to monitor:

- the estimated maximum loss (EML) of corporate counterparties in sectors with "High" and "Very High" Climate Change Risk Transition Scores (CCRS).
- the Maximum Expected Loss of counterparties with Acute "High" and "Very High" Physical Risk;
- for the individual counterparty portfolio, the % of real estate loans on properties classed as "High" and "Very High" Real Estate Physical Risk, Energy Class "F" or "G" and Loan To Value $\leq 80\%$;
- the exposure of businesses in sectors with "High" and "Very High" Climate Change Transition Risk Scores;
- the uses for individual counterparties with "High" and "Very High" Real Estate Physical Risk, APE "F" or "G" and LTV $\leq 80\%$;
- the exposure of counterparties to Acute "High" and "Very High" Physical Risk.

For market risk, the Risk Management Function monitors ESG factors using a risk indicator related to the monitoring of the ESG ratings for the securities portfolio owned by the Group and the two Group Banks by setting a minimum rating threshold (B).

For operational risk, there are specific risk indicators for the two Group Banks called "Operational losses related to environmental factors (Environmental)", "Operational losses related to social factors (Social)" and "Operational losses related to governance factors (Governance)".

Credit risk area

Given the credit risk, the analyses conducted assess the loan portfolio in place by differentiating between "Corporate" and "Individual" customers by distinguishing between the risk connected to the entrusted customer and the risk connected to the real estate given as collateral for the loan.

The extent to which credit exposures and real estate used as collateral could be exposed to climate-related hazards is measured through an environmental climate score provided by an external info-provider. In particular, the Group introduced into its system the Physical Risk Score, the Transition Risk Score and the Climate Change Risk Score (CCRS, a synthesis of the previous two). In addition, a specific physical risk score is calculated for both individual and corporate counterparties, which takes into account real estate pledged as collateral.

Physical risk

In general, physical risk represents the risk that the counterparty's credit rating will worsen due to the impacts of extreme physical events on the assets placed as collateral or on operational offices and any repercussions on the ability to produce counterparties' income (e.g. droughts affecting the counterparty in the agricultural sector).

With reference to the real estate collateral portfolio, as stated above, the risk is assessed that physical events may harm a real estate asset securing loans granted by the Bank, resulting in a loss of value for the Bank.

The analysis for physical risk considers the different types of risk events classified as follows: (i) acute physical climate risk, which includes risks-events such as landslides, floods, wind, fires, storms, frost, peak heat, heat waves and aridity; (ii) chronic physical climate risk, which considers risks-events such as sound erosion, coastal erosion and rising sea levels; (ii) acute physical non-climate risk, which takes into account events that are not affected by climate change such as earthquakes and tsunamis.

These risks are analysed from official sources that map the Italian territory into a level of danger/risk and are subsequently summarised in three scores, called "Acute physical climate risk", "Chronic physical climate risk" and

"Acute physical non-climate risk" and in a score called "Overall physical risk", according to a scale divided into five classes ("Very High", "High", "Medium", "Low" and "Very Low").

The physical risk is therefore assessed on the real estate set aside as collateral (Individual and Corporate segment), combining the information on the three scores and the "Overall physical risk" score provided by the external provider.

In view of the potential negative impacts on counterparties and/or real estate guarantees geolocated in areas with high climate risk, the Group could detect an increase in exposure to credit risk related to physical risks.

At Group level, as at 31 December 2025, taking into account the percentage distribution of gross exposure (Cassa) in Bonis, linked to an "Acute physical climate risk" score, it should be noted that 75% of the portfolio of collateralised real estate is exposed to "Low" and "Very Low" physical real estate risk, while 11% is exposed to "High" and "Very High" physical real estate risk. The same concentrations in the physical real estate risk clusters are observed at the segment level (Corporate and Individual).

Transition risk

Transition risk represents the risk that legislative and regulatory initiatives aimed at accelerating the "green" transition can generate - especially if introduced in a disorderly and unexpected manner - higher costs and/or lower revenues for those companies with a greater carbon footprint, referred to as "brown" (e.g. fossil energy transformation and transport sector, automotive, etc.), with a consequent deterioration of the counterparty's credit rating.

At Group level, as at 31 December 2025, 19.92% of the gross exposure in Bonis (Cassa, Fima and Third-party Funds) of counterparty Companies subject to transition risk represents a "High" and "Very high" transition score.

Operational risk area

In terms of operational risk, this may come about from the exposure of the Group, and its proprietary assets in particular, to potential extreme weather events, which could compromise the Group's business continuity (e.g. damage to business premises or servers) and is predominantly linked to the geographical distribution of the propriety sites that accommodate the Central Departments and the branches.

In particular, operational events are also classified in the Loss Data Collection with specific event types related to environmental factors, making it possible to trace any operating costs due to events arising from climate and environmental risks. From the Group's Loss Data Collection there are no recorded climate/environmental events.

Market risk area

In the area of market risk, the Risk Management Function integrates ESG factors using an indicator dedicated to monitoring the ESG rating of the owned securities portfolio, defining a minimum rating threshold of B. The Group reports a high ESG rating (A-), on a scale ranging from D- to A+. This result reflects the composition of the Owned Securities Portfolio, characterised by a significant number of government bonds, which are limited to ESG risks with a high rating.

Liquidity risk area

The risk arising from the occurrence of an adverse climate event that could lead the customer to draw on their deposits to finance the repair and renovation costs of their property, resulting in a reduction in the bank's liquidity, is assessed by the Group as part of the annual stress tests (sensitivity analysis) carried out on the portfolio of the Bank's depositors, reporting the results in the ICAAP-ILAAP Report.

E1-2 – Policies related to climate change mitigation and adaptation

The Sparkasse Group has not adopted a specific policy on climate change.

In Europe, the banking system has been identified as one of the levers to implement European Union ESG strategies. Sustainable finance is at the forefront of the pillars of financial regulation, and ESG factors will become a cross-cutting theme across all banking functions as a result of the strong regulatory impetus under way.

In a similar initiative, the Bank of Italy invited banking system participants to consider climate and environmental risks in their processes for assessing, granting and monitoring loans in addition to traditional risks. In response to the publication of the Bank of Italy's list of expectations for climate and environmental risks and subsequent best practices, the Sparkasse Group periodically provided the supervisory authority with its ESG Plan 2024-2026, which integrates, among the various activities, climate change mitigation and adaptation measures.

During 2025, the Group updated its Code of Ethics, reaffirming its commitment in the environmental sphere: environmental protection, the promotion of responsible use of natural resources and combating the effects of climate change are an integral part of the Group's sustainability strategy. In integrating climate and environmental factors into its processes, the Group takes into account both its direct environmental impact of its activities and its indirect impact, committing to accompany customers on their environmental transition path.

This is consistent with what the Group has enshrined in its "HORIZON 2026" Business Plan, which includes a focus on sustainability among its cross-cutting pillars, and concrete actions to reduce its environmental impact and promote sustainable development.

In addition, the Group's Sustainability Policy makes explicit its awareness of the environmental responsibility arising both from its own direct business activities and from the behaviour of the actors with whom it interacts along its value chain. This Policy also formalises the following environmental commitments:

- monitor and reduce the Group's emissions through energy efficiency and consumption optimisation policies, efficient commodities procurement and waste disposal;
- prefer energy supply from renewable sources wherever possible;
- promote sustainable mobility habits and initiatives;
- encourage sustainable behaviour in customers, employees, suppliers and all stakeholders in order to mitigate the environmental impact of its value chain.

Policies on own operations

As of 2025, the Sparkasse Group has not formalised specific policies as the environmental impacts resulting from the use of its property assets are low.

In addition, the Sparkasse Group updated its "Car List" in 2025 to include new plug-in car models with the aim of reducing its emissions.

Policies related to the supply chain

In managing suppliers, the Sparkasse Group prefers local realities, in line with its local roots, while reducing the environmental impacts associated with travel.

In fact, the internal regulations were supplemented in 2024 to include ESG criteria in the evaluation of suppliers within the Register, which will be progressively integrated into the processes.

Policies related to employee commuting

With regard to employee commuting journeys, the Sparkasse Group, in accordance with the provisions of the "Relaunch Decree" (Decree Law 34/2020, converted with Law No. 77 of 17 July 2020), has drawn up a specific Commuting Plan (PSCL).

The Commuting Plan aims to comply with current legislation and, at the same time, to prepare improvement measures aimed at encouraging employees to use sustainable means of transport, in order to reduce the environmental impact (reduction of energy consumption, noise pollution, carbon emissions), road congestion and the number of accidents. In fact, it contains a quantitative assessment of the potential environmental impacts of

current commuting activities, and an estimate of the reduction in these impacts obtainable through actions for improvement. At the same time, the PSCL defines the role and responsibilities of the Group's Mobility Manager.

The PSCL is mainly aimed at employees located in the Municipality of Bolzano, but its initiatives can be extended to benefit all employees and Group employees.

Credit policies

In line with the regulatory developments on sustainability, resulting for example from the European Taxonomy forecasts and supervisory expectations on climate and environmental risks, the Sparkasse Group started in 2024 to integrate credit policy with the aim of providing operational and behavioural guidelines that guide the Bank's activities towards the correct management of environmental issues.

In this context, the Group plans to continue updating its credit policies in line with regulatory developments, market expectations and the Bank's growing maturity in ESG. In fact, during 2025, climate and environmental assessment components were introduced alongside the economic and financial drivers, commonly used to assess counterparty creditworthiness.

With this in mind, the credit policy prioritises financing for the purchase of energy-efficient real estate, while trying to raise awareness among customers of the importance of implementing energy efficiency improvements for less efficient real estate. In view of the different energy classes and the different physical risk classes observed, the Group specifically provides for a differentiation in the duration of the loan and a "*LTV cap*" for loans aimed at the purchase of energy-inefficient real estate assets.

With regard to corporate counterparties, the Bank has adopted a climate change risk score, which allows the Group to assess the impact of climate change on the counterparty's economic activity. Using the summary score, for counterparties most sensitive to climate change risks, the Group plans to explore any measures implemented by the counterparty to mitigate physical/transitional risk factors. In addition, for the cases described above, a centralised and strengthened assessment of the potential financing transaction is expected.

Investment policies

With regard to *Investment policies*, the integration of ESG issues alongside traditional economic and financial factors is in line with the Group's investment horizon, with the growing focus on sustainability in economic and financial markets and with the intention of creating shared value for stakeholders. An attempt is therefore made to integrate ESG factors into the screening and monitoring process in order to mitigate the overall portfolio exposure to risks related to these factors. In concrete terms, the Group's investment policies were updated in 2025 to consider ESG factors consistent with the principles mentioned above.

E1-3 – Actions and resources in relation to climate change policies

Actions relating to own operations

As a consolidated company of the Sparkasse Group, Sparim manages the entire Group's property assets, according to the business plan approved by the Parent Bank's Board of Directors from time to time.

During 2025, energy management continued - within the scope of an Energy Performance Contract signed in 2018 for a ten-year term - with reference to Sparkasse's property assets. This activity has resulted, already as of 2019 and on a structural basis, in the reduction of consumption and emissions by more than 20% compared to the baseline.

In addition, boilers will be progressively replaced with heat pumps in the Group's properties, which will provide further benefits in terms of reducing CO₂ emissions.

Regarding CiviBank, in 2024 the scope of activities and investments that will be put in place from 2025 within the framework of a ten-year Energy Performance Contract has been identified, which could lead to a structural reduction in consumption and emissions from its properties of between 12% and 15%, i.e. the headquarters in

Cividale and the 64 branches located throughout Friuli-Venezia Giulia and Veneto. Energy consumption and environmental emissions will be significantly reduced. When fully operational, a reduction of over 200 tonnes of CO₂ per year is expected, which is equivalent to the absorption of emissions by 1,200 trees each year. The investments and technical activities plan will be managed in cooperation with the energy service company Uno Energy Innovative Solutions and the team of local Friuli-Venezia Giulia maintenance companies that have been working with the Bank for some time. As of 31 December 2025, work on the installations continues, in order to record the first consumption reductions in 2026.

Since 2023, the Group has also been engaged in energy self-production from renewable sources through its subsidiary Sparkasse Energy. In particular, its first solar farm in Villa Poma (MN) entered production from December 2024, with the second one in Gazzo Veronese (VR) being put into production in 2025. The total capacity of the two solar farms is 8 MWh, which will allow them to cover the Group's electricity consumption in full.

The Sparkasse Energy project required significant CapEx investments (land and facilities) totalling EUR 12.9 million from 2023 to 2025.

In addition, in 2025 the Group obtained the integrated ISO 14001 "Environmental Management System" and ISO 45001 "Health and Safety" certification for Sparkasse, CiviBank and Sparim. In particular, with regard to ISO 14001, the development process is oriented towards generating the lowest environmental impact and full environmental sustainability. In fact, in the Integrated Policy specified in the Integrated Management System, the Group has set itself specific environmental objectives.

Actions related to the supply chain

The Sparkasse Group, considering the nature of its services and products, mainly uses paper and toner as commodities. Over the years, numerous initiatives have been undertaken to use resources more effectively and efficiently.

In particular, to reduce direct environmental impact and initiate cost-saving actions, since 2017 the Group has adopted a strategic programme called "paperless". This programme aims to drastically reduce the use of paper and toner through the implementation of work processes that reduce paper consumption, in addition to enabling the use of digital signatures by customers. This allows bank documents to be signed without printing them, leading to significant paper and toner savings.

Thanks to this type of initiative, there was a decrease in orders for reams of paper by the Group's operational offices (subsidiaries and general managers) of approximately -15% at Group level between 2024 and 2025.

Furthermore, from 2024, the Group continued its focus on the use of commodities derived from recycled materials, through the exclusive use of FSC (Forest Stewardship Council) certified paper and increasing the percentage of recycled paper used from 41.4% in 2023 to 98.75% in 2025.

Actions related to the commuting of employees

As part of the Commuting Plan, specific improvement actions are planned to encourage employees to use sustainable means of transport. The PSCL was implemented through a collaborative and participatory process involving the Group Management, the Group Mobility Manager and employees. In this regard, a survey is periodically submitted to employees covered by the PSCL to collect information on commuting methods and other useful inputs for defining actions. In 2025, also for the purposes of this reporting, the survey was extended to include all Group employees.

The specific activities carried out in 2025 include an initiative to involve and raise awareness among employees in the use of bicycles as a means of travelling and commuting to work. In May 2025, in Bolzano an initial event was held providing free maintenance for colleagues' bicycles, thanks to the work of the Social Cooperative NOVUM2 in Bolzano. In addition to this, in September, a short video made by the Group's Mobility Manager, dedicated to the

environmental, economic and personal benefits of using a bicycle to commute to/from work, was released through the Group's internal communication channels.

Actions related to financing activities

The Sparkasse Group, in line with the operational rules for granting and monitoring credit and credit policies, has introduced guidelines aimed at proper management of ESG issues in relation to the bank's lending activities.

In order to assess the ESG requirements of financing to also achieve eligibility and alignment with the European Taxonomy, as well as to calculate the GHG emissions of the funded portfolio, the Group has in recent years activated several actions aimed at enriching its information and ensuring greater information coverage.

These include, for example:

- a) action to recover timely data relating to energy class information/emissions/consumption of buildings;
- b) action to recover, by means of external infoproviders, energy-class information/emissions/consumption of buildings.

With regard to climate and environmental risks, in line with the requirements of the 12 Expectations of the Bank of Italy, the Group acquires and censuses in its systems the physical risk scores attributed to all properties held as collateral, in order to monitor their exposure, also with respect to the risks provided for in Regulation 2021/2139 EU.

In addition, the Group has adopted a "*Climate Change Risk Score*" with the aim of tracking and monitoring exposures to entrusted corporate counterparties with regard to:

- Physical climate risk: measures the exposure of corporate customers to acute and chronic physical climatic and environmental risk factors, understood as factors that could harm the value of the collateral property or the company's operations;
- Transition risk: measures the potential impact of the transition to a net zero production system (carbon tax, emission reduction investments, technology and market changes, etc.). It is determined from public data considering the EU taxonomy, consumption intensity, changes in technology and the market.

Actions related to investment policies

The Group intends to demonstrate its commitment to sustainability through all its activities, aiming to contribute to the long-term well-being of the environment, society and economy. Thus, the Sparkasse Group, in line with its investment policy, favours investments in companies that can demonstrate that they use ESG practices within their above-average industries or sectors. This approach involves selecting companies that stand out in how they manage the ESG risks and opportunities within their sector. Preference is therefore given to those companies/issuers that have the highest scores in the ESG performance metrics considered and thus promote a best-in-class approach.

E1-4 – Targets related to climate change mitigation and adaptation

For 2025, the Group has not defined any measurable targets for the reduction of each component of emissions, Scope 3 in particular.

The target for Scope 1 emissions is to reduce emissions from the Group's properties in 2030 by 45% compared to 2024. The Group will continue to monitor the target, which is roughly on track and expected to be achieved by implementing the levers described above.

In addition, the target of achieving zero Scope 2 (Market-based) emissions in 2025 announced in the previous Statement has been updated as follows: the target of achieving zero Scope 2 *market-based* emissions for the portion of electricity purchased will be achieved in 2026, limited to the scope represented by Sparkasse net of the subsidiaries powered by district heating, thanks to *Power Purchase Agreement* contracts for energy produced by the two Sparkasse Energy solar farms, which entered full operation in 2025. On the other hand, when it comes

to emissions from energy purchased by the third-party trigeneration plant, which also provides thermal and cooling energy (for CiviBank's headquarters only), it will be possible to take action to eliminate them once the agreement with the supplier has expired. The above objectives were defined internally in line with the activities of the Group's ESG Plan. These were not identified on the basis of decarbonisation curves consistent with the goal of limiting global warming to 1.5°C and therefore have not been subjected to external validation.

For the loan portfolio target, please refer to the chapter on *Sustainable Finance*.

E1-5 – Energy consumption and mix

Energy consumption and mix	Group (2025)	Group (2024)
1) Natural gas for heating	4,982	2,697
2) LPG	0	2
3) Automotive diesel	1,080	1,050
4) Automotive petrol	270	134
5) Energy purchased from non-renewable sources	3,153	2,153
6) Total energy consumption from fossil sources (MWh) (sum of rows 1 to 5)	9,485	6,036
Share of fossil sources in total energy consumption (%)	62%	53%
7) Consumption from nuclear sources (MWh)	0	0
Share of nuclear sources in total energy consumption (%)	0	0
8) Fuel consumption for renewable sources, including biomass (also includes industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	0	0
9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	5,714	5,313
10) Consumption of self-generated non-fuel renewable energy (MWh)	0	0
11) Total energy consumption from renewable sources (MWh) (sum of rows 8 to 10)	5,714	5,313
Share of renewables in total energy consumption (%)	38%	47%
Total energy consumption (MWh) (sum of rows 6, 7 and 11)	15,199	11,348

For the calculation of electricity and gas consumption, data was collected covering the 12 months of the year relating to branches that provided data on time; where information was missing, the figures were estimated.

With regard to consumption of the Group's real estate in particular, the reporting scope was expanded in FY 2025 to achieve greater transparency and included:

- energy consumption of branches powered by district heating, calculated from billing for energy;
- gas consumption of the subsidiaries, including real estate assets for which the Group does not exercise direct and immediate control over consumption, mainly as they are located in condominiums with central heating system. Any estimates were made on the basis of the energy costs incurred (spend-based) and, where this information is also missing, it is based on the floor area of the buildings in square metres. In the latter case, consumption was estimated using the SIAPE database referring to the climate zone to which it belongs ("E").

In respect of energy consumption, the share of electricity from renewable sources certified through Guarantees of Origin (GO) was assessed.

In particular, as part of the Sparkasse Energy project, the Group produced renewable energy to cover the Group's consumption. In FY2025, when both solar farms came into operation, the Group self-produced and virtually consumed approximately 20% of the MWh included in table E1-5 in point 9 through a PPA contract.

Regarding consumption by the company car fleet, the calculation methodology was updated in FY2025 to move from an estimate based on the km travelled (adopted in FY2024) to a more precise estimate based on fuel expenditure⁷. In addition, there was an increase in the total number of cars owned by the Group in FY2025.

The Sparkasse Group does not incur any consumption for carrying out activities in Section L - Real Estate Activities*, which is one of the high climate impact sectors, as defined in Annex I of Regulation (EC) 1893/2006 of the European Parliament and of the Council (as defined in Commission Delegated Regulation (EU) 2022/1288). Moreover, the consumption incurred by the subsidiary Sparim S.p.A. relates to properties used in the conduct of banking business.

E1-6 – Gross Scopes 1, 2, 3 and total GHG emissions

Gross Scopes 1, 2, 3 and total GHG emissions	Group (2025)	Group (2024)
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions (tCO ₂ eq)	1,419	885
Scope 2 GHG emissions		
Gross Scope 2 GHG emissions, location-based (tCO ₂ eq)	2,509	2,180
Gross Scope 2 GHG emissions, market-based (tCO ₂ eq)	1,034	673
Significant Scope 3 GHG emissions		
1. Purchased goods and services	372	119
2. Capital goods	1,032	-
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)	-	-
4. Upstream transportation and distribution	-	-
5. Waste generated in operations	-	1
6. Business travel	-	-
7. Employee commuting	3,487	-
8. Upstream leased assets	-	-
9. Downstream transportation and distribution	-	-
10. Processing of sold products	-	-
11. Use of sold products	-	-
12. End-of-life treatment of sold products	-	-
13. Downstream Leased Assets	6,076	6,865
14. Franchises	-	-
15. Investments	662,648	463,572
Total GHG emissions		
Total GHG emissions (location-based) (tCO ₂ eq)	677,543	473,662
Total GHG emissions (market-based) (tCO ₂ eq)	676,068	472,115

⁷ For a limited proportion of the car fleet (less than 10%), it was also necessary to continue with the calculation based on the km travelled in FY2025 as information on actual fuel consumption is not immediately available.

GHG intensity in relation to net revenues	Group (2025)	Group (2024)
Total GHG emissions (position-based) per net revenues (tCO ₂ eq/monetary unit)	0.0016	0.0011
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/monetary unit)	0.0016	0.0011

Net revenue is considered to be the Group's net interest and other banking income (item 120 of the Consolidated Income Statement).

In quantifying Scope 1 emissions, the Sparkasse Group uses primary energy consumption data derived mainly from fuel bills and fuel cards (energy consumption is also assessed within the table E1-5) using specific emission factors for individual energy categories as set out in the Ministry of the Environment "Table of national standard parameters for greenhouse gas monitoring and reporting". For estimating energy consumption based on square metres of floor space in the buildings, the emission factor SIAPE for the climate zone E has been adopted.

With regard to **Scope 2**, energy consumption deriving mainly from utility bills was used as primary data (energy consumption is also measured within the table E1-5) using specific emission factors as outlined within the sector guidelines (ABI Lab guidelines on the application in banking of the European Sustainability Reporting Standards (ESRS) – environmental topics – version December 2025). It should be noted that, with regard to emissions from the trigeneration plant, the calculation methodology was refined taking into account the equivalent tCO₂s, using the emission factors declared by the ISPRA Database. For emissions from district heating plants, the factor proposed by the ABI Lab Guidelines was used.

In assessing the relevant **Scope 3** categories, the Sparkasse Group takes into account the requirements defined within the GHG Protocol's Corporate Value Chain Accounting and Reporting Standard. Furthermore, as a financial institution the Group takes into account the Global GHG Accounting and Reporting Standard for the Financial Industry developed by the Partnership for Carbon Accounting Financials (PCAF).

Overall, with regard to Scope 3 the percentage of emissions calculated using primary data collected from suppliers or other value chain actors is about 44%.

For the purpose of the Reporting as at 31 December 2025, the Group excluded the following Scope 3 categories from the list:

- Category 3 - Fuel- and energy-related activities: as a financial institution the Group did not consider this category to be significant with respect to energy consumption;
- Category 4 - Upstream transportation and distribution: the Group did not consider this category to be relevant for FY2025;
- Category 5 - Waste generated in operations: following the materiality analysis carried out on the results for FY2024, the Group did not consider this category to be relevant for FY2025;
- Category 6 - Business travel: an estimate could not be made due to partial data coverage for this category;
- Category 8 - Upstream leased assets: not applicable to the Group;
- Category 9 - Downstream transportation and distribution: not applicable to the Group;
- Category 10 - Processing of sold product: not applicable to the Group;
- Category 11 - Use of sold products: not applicable to the Group;
- Category 12 - End-of-life treatment of sold products: not applicable to the Group;
- Category 14 - Franchising: not applicable to the Group.

Compared to *fiscal year 2024*, the Group has integrated emission reporting for Scope 3 Category 2 and Category 7. On the other hand, following the materiality analysis carried out on the results for FY2024, the total emissions generated by Category 5 were considered not material. Furthermore, Category 1 and, above all, Category 15 coverage was extended for FY2025.

Below are the details of the methodologies and data used in FY2025:

- **Category 1 - Purchased goods and services:** the Group took into account 80% of the most relevant suppliers in the scope (e.g. excluding intercompany supplies) based on the expenditure carried out in the FY2025. For these, emissions were mainly quantified using the spend-based method, by combining an emission coefficient based on the supplier's ATECO code expenditure, in line with the reference standard of the GHG Protocol. However, where possible, the Group obtained timely information thanks to dedicated engagement, which allowed the data to be refined.
- **Category 2 - Capital goods:** see description for Category 1.
- **Category 7 - Employee commuting:** emissions from employees commuting were calculated based on information collected through specific surveys: one as part of the Commuting Plan, for staff based in the City of Bolzano, and one extended to all the remaining staff of the Group. The precise data collected has been re-shown to represent the entire population of the Group. The emission coefficients Ecoinvent 3.11 based on the means of transport used were applied to the data.
- **Category 13 - Downstream Leased Assets:** emissions related to the Group's properties leased to third parties were calculated by attributing the emission factors based on the values from timely APEs, where available, or by allocating the average emission coefficient by use drawn from the PCAF methodology. For all properties for which the APE document is not available, an estimate is made in line with what was carried out the previous year, using the average-data method of the GHG Protocol. It should be noted that given the discretionary nature of the ABI Lab guidelines, these issues were reported within Scope 3.
- **Category 15 - Investments:** the Group has disclosed the financed emissions concerning the following asset classes provided for by the PCAF:
 - a) *Business Loans and Unlisted Equity*, including loans to companies operating in the fields of Manufacturing, Wholesale and Retail, and Accommodation and Restaurant Services;
 - b) *Commercial Real Estate*, represented by loans to Companies secured by property;
 - c) *Mortgages*, represented by loans to Individuals guaranteed by property;
 - d) *Sovereign Debt*.

In particular, with regard to loans related to the *Real Estate* (Commercial Real Estate and Mortgages) *cluster*, in line with the methodologies defined by the PCAF Standard, the calculation is based on the size of the property, an emission coefficient (derived from data recorded within bank systems, where available, or alternatively from the database) and an allocation factor.

It should be noted that, for this asset class, the use of proxies mainly concerned the floor area of buildings and emission coefficients, when not present in the Bank's information systems.

On the other hand, with regard to the Business Loans asset class, relating to loans to companies, the calculation of emissions is based, in line with the reference standards, on the use of counterparty-specific emission data, or where not available, on sector-specific estimates/averages made available by ISTAT.

As regards Government Bonds, the calculation of emissions arising from securities to sovereign entities is performed on the basis of the latest update to the PCAF methodology, relative to the sovereign debt asset class.

In detail, the emissions calculation is based on the emissions of the reference country, multiplied by an attribution factor that takes into account the exposure to government bonds, divided by purchasing power parity-adjusted GDP and converted into euros. In particular, the Group's calculation included exposures to government bonds in the European Union countries in its portfolio (so-called *sovereign HTC-EU*).

Gross issues from HTC-EU government bonds amount to 280,809 tCO₂eq. for Italy and 1,064 tCO₂eq. for France. In particular, these values refer to the calculation of national "*without land use, land use change and forestry*" emissions. For greater completeness in the representation of the data, it should be noted that the "*with land use, land use change and forestry*" emissions amount to 241,609 tCO₂eq. for Italy and 958 tCO₂eq. for France.

It should also be noted that, as of 31 December 2025, the Sparkasse Group has not assessed biogenic CO₂ emissions from the combustion or biodegradation of biomass for Scope 1, 2 and 3. The topic of biogenic emissions is not applicable to the Organisation.

Part Three: Social Disclosures

Social Disclosures: Own Workforce

Secure employment, adequate wages, social dialogue and collective bargaining

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic "*Working conditions: Secure employment, adequate wages, social dialogue and collective bargaining*", the table below shows the impacts, risks and opportunities (IROs) identified by the Group. These IROs refer to the total own workforce, which includes employees and other staff, and derive from the Group's overall activities. During the Group's Double Materiality analysis, no workers with particular characteristics were identified, i.e. working in particular contexts or carrying out certain activities, who are most exposed to risks or with greater access to the opportunities found to be material.

Own workforce (Secure employment, Working time, Adequate wages, Social dialogue Collective bargaining)			
IRO description	IRO Type	Time horizon	Coverage
Loss/reduction of jobs with effects on the local community ("brain drain abroad")	Negative impact (Potential)	S-T	OO;
Difficulties for young people in entering the world of work and their emancipation	Negative impact (Potential)	S-T	OO;
Inadequate job classification	Negative impact (Potential)	S-T	OO;
Violation of human rights and the right to collective bargaining	Negative impact (Potential)	S-T	OO;
Promoting the integration of young people into the world of work, creating new job opportunities	Positive impact (Actual and Potential)	S-T	OO;
Promoting collective bargaining and social dialogue	Positive impact (Actual and Potential)	S-T	OO;
Job creation in the territory	Positive impact (Actual and Potential)	S-T	OO;

Own workforce (Secure employment, Working time, Adequate wages, Social dialogue Collective bargaining)			
IRO description	IRO Type	Time horizon	Coverage
Shortcomings in selection and sizing resulting in economic losses also in connection with the quality of the products and services provided	Risk	S-T	OO;
Legal and reputational risks related to possible disputes with staff in connection with working conditions	Risk	S-T	OO;
Enhanced employee productivity and corporate reputation partly thanks to job creation and adequate remuneration	Opportunities	S-T	OO;
Ensure adequate capacity to manage turnover without leading to loss of knowledge and skills that would lead to negative impacts on company profiles in the medium to long term	Opportunities	S-T	OO;

The actual and potential impacts on the own workforce identified above: (i) derive from or are linked to the company's strategy and business model and (ii) guide the company's strategy and business model by contributing to their adaptation. The Group has assessed how impacts on working conditions — in particular, employment safety, correct classification, salary adequacy, social dialogue and collective bargaining — represent key factors in determining risks (e.g. retention difficulties, loss of skills, litigation) and opportunities (e.g. productivity improvement, talent attraction, local employment development). These impacts, as well as workforce-related dependencies, directly affect the definition of Human Resource (HR) strategies and resource planning, guiding the adoption of measures to ensure fair, stable working conditions consistent with the Group's values.

The occurrence of negative impacts may derive both from distinctive factors specific to the Group and from systemic factors related to the economic and regulatory environment. In this context, IRO monitoring makes it possible to anticipate possible critical issues and proactively direct mitigation and development actions, strengthening the Group's ability to ensure stable employment, job quality and correct industrial relations. In the same context, the Group's activities that generate positive impacts on its own workforce, as well as the types of employees and non-employees who suffer or may be affected, are described, for each material topic, in paragraphs *S1-4 – Taking action on impacts on its own workforce, and approaches to risk and opportunity management, as well as effectiveness of the actions taken*.

Given the Group's business model, there are no significant negative impacts on its own workforce in terms of job losses arising from transition plans aimed at reducing negative impacts on the environment and carrying out greener and climate-neutral operations, including information on the impact to its own workforce caused by the company's plans and actions to reduce carbon emissions, in line with international agreements. At the same time, it is expected that the transition plan may lead to opportunities for its own workforce derived mainly from reskilling or improving skills.

The workforce is mainly made up of employees plus a small contingent of contract workers. This ensures that the Group plays an important role in the territories in which it operates, promoting the integration of young people into the world of work and, in general, creating new employment opportunities, while providing appropriate employment contracts and social protection.

S1-1 – Policies related to own workforce

The Sparkasse Group believes that human resources are an essential corporate asset, the development of which is a key factor in achieving its objectives. Employees are the driving force of the Group and represent a true competitive and productive advantage.

The Sparkasse Group guarantees a safe, inclusive and respectful working environment in line with the highest ethical and regulatory standards. To this end, it adopts and complies with a set of policies and guidelines that protect workers' rights, promote corporate welfare, foster professional growth and ensure social dialogue.

In particular, the Group adheres to the principles enshrined in the United Nations International Charter of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work and the relevant Conventions with particular attention to freedom of association, equal treatment and the fight against forced and child labour with the aim of guaranteeing the integrity of the individual in their physical sphere, understood as safety, freedom and individual personality, and in the psychological sphere, understood as moral and social integrity.

The Group's commitment was strengthened through its publication of the "Human Rights" Policy on 3 February 2025. For further information, please refer to the following paragraph *S3-1 – Policies related to affected communities*.

Internally, as will be extensively described in the following chapters, the Group has adopted the *Code of Ethics and Conduct* (updated in 2025 in order to include the new Group values) and the *Diversity, Equity & Inclusion* Policy, which promote mutual respect, combat all forms of discrimination and support the work-life balance. Specific measures are also in place to protect the health and safety of workers, in accordance with current legislation and the best international standards. Moreover, the professionalism and dedication of employees are fundamental values for the achievement of the company's objectives. For this reason, the individual Group companies are committed to developing the skills and enhancing the abilities and potential of their employees and offer equal employment opportunities to all employees on the basis of their specific professional qualifications and performance capabilities, without any form of intrinsic or extrinsic discrimination. To ensure any discrimination is properly dealt with, procedures are in place to allow employees to raise concerns and file complaints. Detailed information on grievance management processes, procedures for remedying negative impacts and channels available to workers is reported and analysed in paragraph *S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns*

Relationships between employees, at all levels, are characterised by integrity, loyalty and mutual respect. Therefore, the proper management of staff, which includes following the principles described in the Code of Ethics and Conduct, represents for the Group an ethical duty of all those with responsibility.

With this in mind, the People & Transformation Department and, in particular, the People Management Division, are responsible for overseeing the effectiveness and proper functioning of the human resources management process for the Parent Bank and its subsidiaries. In particular, the assignment of roles and responsibilities of the various organisational units responsible for carrying out activities provides for a separation of roles between those who plan staffing requirements (numbers and professional profiles) and those who approve the aforesaid planning, those who approve the guidelines for staff selection and those who carry out the selection of staff when it is not possible to cover needs with internal personnel (due to a lack of sufficient numbers or of the required professional profiles), those who identify training priorities, and finally, those who evaluate staff performance and those who decide on any promotions.

To this end, a Resources Committee has been set up, which supports the Chief Executive Officer/General Manager when making assessments of staff management.

In particular, the Resources Committee:

- evaluates the proposals for the numbers of staff needed that are formulated in the reporting period by the various business units for the Organisation Department and People Management Division for the prior verifications under their responsibility;
- supports the assessment of internal mobility needs (transfers between internal organisational units) in order to facilitate the appropriate qualitative and quantitative sizing of structures;
- monitors the performance of the source-use dynamics of resources with respect to company objectives and business plan targets;
- monitors the trend of staff cost dynamics related to training requirements with respect to company objectives and Business Plan targets;

- carries out a prior assessment of staff initiatives, with particular reference to training and people engagement;
- supports the Head of the People Management Division in ensuring the efficient adoption and continuous and effective implementation of the Diversity, Equity & Inclusion Policy;
- monitors issues related to inclusion, gender equality and integration, and equal opportunities, also with a view to identifying, investigating and managing any form of non-inclusiveness;
- assesses the proposal of the strategic plan for gender equality annually, in accordance with UNI PdR 125:2022 prepared by the Head of the People Management Division.

S1-2 – Processes for engaging with own workers and workers' representatives about impacts

The Group, also in compliance with the applicable regulations and agreements, provides for ways of involving and informing workers' representatives in the relevant negotiations, with the aim of entering into agreements that introduce new measures and staff management policies, and which improve on the provisions of the sector's national collective labour agreement (CCNL). At the same time, the regular and constant dialogue with workers' representatives makes it possible to understand and intervene in specific situations involving particularly vulnerable workers.

In order to ensure the effective implementation of this involvement and its impact on corporate strategies, the People Management Division has the operational responsibility to ensure that the worker representative consultation and participation processes are effectively carried out and that the results guide the Group's approach to staff management. The agreements are formally signed by the Chief Executive Officer of Cassa di Risparmio di Bolzano S.p.A., representing Sparkasse, and the General Manager of CiviBank, representing Banca di Cividale S.p.A.

Workers' representatives are also involved in the "*territorial discussions*" established with the aim of proposing and discussing the introduction of measures to improve the work-life balance for Sparkasse Group employees. This initiative was launched in 2021 with the aim of preparing a co-created and shared three-year plan with a programme that led to obtaining the "*Family & Work Audit*" certification issued by the Autonomous Province of Bolzano and the subsequent re-certification – following a new audit and the co-creation of a new three-year plan – in 2024. Although it is a formal certification referring only to the Province of Bolzano, the Group has voluntarily chosen to extend the actions and measures provided for in the relevant plan to all the Group Companies, adopting them as a cross-cutting organisational standard across the entire company.

Similarly, and with the aim of bringing the Sparkasse Group culture to life for employees by directly involving them in defining it, a process of identifying the new Group Values and creating the related Code of Conduct was concluded in 2025. The Values defined in a participatory manner have therefore been included in the Group's Code of Ethics. This path has also found natural continuity in the development of the Sparkasse Group Community, a space dedicated to sharing, dialogue and the practical dissemination of Values, strengthening the sense of belonging and fostering an increasingly inclusive and collaborative organisational culture.

S1-3 – Processes to remedy negative impacts and channels for own workers to raise concerns

The Group has adopted a whistleblowing system for reporting concerns as required by the Bank of Italy's Supervisory Provisions and formalised in the relevant internal regulations.

Specifically, all Group staff, including all those who represent and manage Group companies in any capacity, as well as external contractors/third parties and all persons as referred to in Article 3 of Legislative Decree No. 24 of 10 March 2023, may report any matter with content requiring investigation.

As a general rule, reports are made in writing, which may be in computerised form, or orally. In all cases, internal reporting systems ensure the privacy and protection of the personal data of the reporting person and of any person who has been reported.

The *whistleblowing* channel is also adopted to report conduct, acts and/or events that constitute – or that have been observed as constituents – any form of discrimination, harassment, violation of gender equality or personal and professional dignity, both when this conduct is suffered directly and when it is witnessed being inflicted on third parties. This expansion of the use of the channel reflects the Group's commitment to protecting people and promoting a respectful, inclusive and safe work environment.

In addition to the aforementioned anonymous channel, the Group has also made a dedicated email address available, to be used if the whistleblower chooses not to remain anonymous. This additional channel enables more direct communication, while continuing to ensure adequate levels of confidentiality and protection of personal data.

A "digital" desk, an internal channel designed not only to gather critical issues but also to allow employees to propose suggestions, ideas and improvement initiatives, was also implemented. This tool fosters a continuous and constructive dialogue, enhancing the active contribution of people in the development of organisational processes and corporate culture.

The process for managing reports through the *whistleblowing* channel includes:

- assessment phase: each communication is duly assessed to verify whether its content requires further investigation or assessment, in line with current regulations and what has been established at Group level;
- processing phase: if the assessment phase reveals the need for intervention, the case is analysed and corrective procedures are initiated, ensuring a timely and targeted response to the issues raised, guaranteeing the privacy and protection of the personal data of both the reporting person and any person who has been reported, thus enhancing confidence in the system.

The Group adopts a systemic approach to the control and monitoring of issues raised, which includes regular analysis of reports to assess the effectiveness of channels and processes, as well as constant reminders to employees to provide feedback on the use of channels, in order to continuously improve the system and anticipate any critical issues.

For more information, in particular for the specific reporting channels available, please refer to paragraph 7.1.

S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The employment contracts specified by the Group are usually for an indefinite period. The employment of young people, particularly in the Province of Bolzano, often takes place through the banking apprenticeship contract, thus ensuring in-depth training (150 hours/year) for new employees provided by the Region/Province (vocational school). At the end of this, the trainees have to sit a final exam before a commission and the same Region/Province then issues the "Banking Operator Diploma".

In order to make the Sparkasse Group attractive and to introduce the two Banks to young people, allowing them to enrich their school and academic career through work experience, 2025 also saw the continuation – and intensification – of the cooperation with schools and universities throughout the Group's territory. In particular, the Parent Bank has effectively resumed hosting summer interns in its branches and organising work experience for school students, in addition to continuing with the internship projects at the Headquarters of both Banks, which were widely attended, particularly curricular and extracurricular ones.

In this respect, especially regarding the Parent Bank, the intense collaboration with Libera University of Bolzano continued, with the aim of pooling training initiatives and sharing experiences of professional growth of recent graduates with potential, including through support for degree courses and academic initiatives of various kinds.

In particular, since 2018, i.e. the first year of its introduction, Sparkasse has been an official partner of the Master's Degree course in Accounting & Finance, offering a degree prize in cash every year to be awarded to the most deserving thesis and a number of study grants for the best students, who thus had the opportunity to attend the second year of the course at Baruch College in New York with which the Libera Università di Bolzano has an agreement for the Italy-USA double degree. Since 2022, following the agreements made by the Libera Università di Bolzano and the re-confirmation of the partnership, the Bank can guarantee a study grant for each academic year at the New York University Stern School of Business, considered one of the most renowned business schools in the world.

It should be noted that the Group's workforce in both Banks includes people in protected categories under the terms of the regulations in force. To this end, the Banks have entered into an agreement with the relevant institutions that provides for a recruitment programme to gradually cover the mandatory quota.

The selection of employees is carried out in line with the planning of staff requirements and in accordance with the guidelines approved by the companies' Boards of Directors, supervised and guaranteed by the Parent Bank, particularly with regard to staff with technical functions.

Staff recruitment takes place through a careful selection of available CVs and preliminary and technical interviews with candidates carried out directly by the banks or possibly delegated to external companies (e.g. employment agencies). In addition to classic channels and active partnerships with schools and universities for more junior roles, LinkedIn is also actively used as to support the search for candidates, mostly in the case of specific skills, which cannot always be found through advertisements in the local and national press or other traditional channels. The Parent Bank also continued the partnership that began in 2020 with "Karriere Südtirol" and "Carriera Trentino", specialised job search websites focusing on the Alto Adige and Trentino areas, where the Bank regularly posts vacancies on its profile, which also attracts speculative applications, mostly from young people.

In this context, for the whole Group:

- the consistency between planned and recruited resources is verified;
- for the recruitment of people in protected categories, which attracts a subsidy, the appropriate documentation is acquired and staff belonging to the facilitated categories are hired;
- where external companies are used for staff selection, contracts are signed and the relevant termination and penalty clauses are stipulated.

In particular, the following additional aspects are taken into account with regard to the selection of heads of corporate functions:

- verification of professional requirements;
- appointment and termination by the body with strategic supervisory functions, stating the reasons therefor.

In the case of those responsible for the control functions, the governance body with control functions must also be consulted.

It should be noted that – with a view to supporting labour policies that incentivise the application of diversity and gender neutrality principles – significant attention is also paid to gender quotas in staff search and selection activities, particularly when identifying candidates to be short-listed for recruitment.

The action plan described above relating to 2025, which included apprenticeship projects, partnerships with universities (with particular reference to the sponsorship of the Master's Degree in Accounting & Finance at the University of Bolzano), portal licences and job search advertisements, resulted in total operating expenditure of EUR 234 thousand. A budget of EUR 151 thousand was approved for the 2026 action plan.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Sparkasse Group is committed to ensuring a working environment that complies with current legislation, recognising that the protection of working conditions goes far beyond the formal fulfilment of legal obligations. The strategy is based on three core pillars: strict compliance with regulations, active listening to staff and the promotion of a participatory culture that allows everyone to actively contribute to the review and improvement of management processes.

The Group's first and foremost commitment is to ensure full compliance with laws and regulations on working conditions. This approach ensures respect for workers' rights, and also lays the foundation for ethical and responsible business management. The Group constantly monitors the evolution of the regulatory framework and takes all necessary measures to be in line with international best practices and local guidelines, thus ensuring a safe, fair and respectful working environment for all staff.

The Group believes that human capital is at the heart of its success and innovation. With this in mind, the Group actively promotes a climate of listening and dialogue, which goes far beyond mere regulatory compliance. It is committed to fostering open communication with employees and trade union representatives; to promote continuous feedback; and to encourage active participation in all staff-related processes.

The Group is committed to continuous improvement, based on collective participation and open discussion. The qualitative and quantitative objectives related to working conditions and staff management are described in detail in the following chapters and are linked to the development of internal competencies, the promotion of people's well-being and an appropriate work-life balance.

In accordance with the Business Plan, the Group has set targets in terms of headcount and related costs. These objectives are set out on an annual basis within both the Group's budget and the individual Entities.

The Resources Committee regularly monitors the source-use dynamics of resources, which are minuted with detailed analysis and information on gender, position and type of contract.

S1-6 – Characteristics of the undertaking's employees

The tables below are based on the number of employees (individuals and non-FTE) at the end of the reporting period (31/12/2024 and 31/12/2025) and does not capture fluctuations during the year.

Number of employees per position by gender

Job category	2025					2024				
	M	F	Other	Unreported	TOTAL	M	F	Other	Unreported	TOTAL
Executives	32	5	0	0	37	32	6	0	0	38
Middle managers	565	334	0	0	899	546	294	0	0	840
White-collar	389	676	0	0	1,065	415	700	0	0	1,115
Total	986	1,015	0	0	2,001	993	1,000	0	0	1,993

Employees by contract type

Indicator	2025					2024				
Number of employees by contract type	M	F	Other	Unreported	TOTAL	M	F	Other	Unreported	TOTAL
Full-time	964	697	0	0	1,661	976	688	0	0	1,664
Part-time	22	318	0	0	340	17	(312)	0	0	329
Total	986	1,015	0	0	2,001	993	1,000	0	0	1,993
Number of employees on permanent contracts by type	M	F	Other	Unreported	TOTAL	M	F	Other	Unreported	TOTAL
Full-time	946	675	0	0	1,621	949	655	0	0	1,604
Part-time	21	318	0	0	339	16	(312)	0	0	328
Total	967	993	0	0	1,960	965	967	0	0	1,932
Number of employees on fixed-term contracts by type	M	F	Other	Unreported	TOTAL	M	F	Other	Unreported	TOTAL
Full-time	18	22	0	0	40	27	33	0	0	60
Part-time	1	0	0	0	1	1	0	0	0	1
Total	19	22	0	0	41	28	33	0	0	61
Number of non-guaranteed hours employees	M	F	Other	Unreported	TOTAL	M	F	Other	Unreported	TOTAL
Total	0	0	0	0	0	0	0	0	0	0

The figure was calculated at the end of the reporting period (31/12/2024 and 31/12/2025)

Number of employees who left the Group broken down by position and gender with relative turnover rate

Turnover in the period by number	2025				2024			
	Executives	Middle managers	White-collar	Total	Executives	Middle managers	White-collar	Total
Men	1	42	26	69	1	38	36	75
Women	1	10	33	44	0	13	37	50
Total	2	52	59	113	1	51	73	125
Rate (%)	5%	6%	6%	6%	3%	6%	7%	6%

With reference to the total number of employees, the most representative figure reported in the consolidated financial statements is represented by item 190 a) "personnel expenses".

S1-7 – Characteristics of non-employee workers in the undertaking's own workforce

Total number of non-employees in the company's own workforce

Type	2025			2024		
	Gender		Total	Gender		Total
	M	F		M	F	
Non-employees	9	13	22	13	10	23

The above table is based on the number of non-employee workers (individuals and non-FTE) at the end of the reporting period (31/12/2024 and 31/12/2025) and does not include fluctuations during the year.

For the sake of completeness, it should be noted that, as at 31/12/2025, the Group had 16 interns (ten women and six men) and six temporary workers (three women and three men) in the Group.

S1-8 – Collective bargaining coverage and social dialogue

Coverage rate	Collective bargaining coverage		Social dialogue
	Employees - EEA (for countries with > 50 employees. representing > 10% of total workers)	Employees - non-EEA (estimate for regions with > 50 employees. representing > 10% of total workers)	Representation in the workplace (EEA only) (for countries with > 50 employees)
0-19%			
20-39%			
40-59%			
60-79%			Italy
80-100%	Italy		

All Group employees working in Italy are covered by collective bargaining agreements (ABI), in line with the previous year. Therefore, the percentage of employees covered by collective labour agreements is 100%. 79.66% of employees are union members.

S1-10 – Adequate wages

All Group employees receive an adequate wage, in line with banking industry benchmarks.

Specifically, and to ascertain the adequacy of the policies implemented, the Group has adopted:

- systems for collecting data on the characteristics of organisational positions that take into account the responsibilities and complexity managed by the different roles, by participating in sector pay surveys;
- comparisons with market wage benchmarks;
- incentive/reward systems linked to objective parameters that allow for the recognition of merit and performance.

In particular, the Group participated in the ABI Servizi annual remuneration survey for 2025 as well.

Balance Between Work and Private Life

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic “Work-life balance”, the following table shows the impacts, risks and opportunities (IROs) identified by the Group. These IROs refer to the total own workforce, which includes employees and other staff, and derive from the Group’s overall activities. During the Group’s Double Materiality assessment, no workers with particular characteristics were identified, i.e. working in particular contexts or carrying out certain activities, who are most exposed to risks or with greater access to the opportunities found to be material.

Own workforce (Balance between work and private life)			
IRO description	IRO Type	Time horizon	Coverage
Impacts on people’s health and mental well-being (e.g. burnout)	Negative impact (Potential)	S-T	OO;
Increased personal well-being, including through the use of flexible working tools (e.g. smart working) and/or leave tools for family/parental reasons	Positive impact (Actual and Potential)	S-T	OO;
Legal and reputational risks related to any disputes with staff in connection with working conditions concerning work-life balance	Risk	S-T	OO;
Decreased productivity with an associated increase in strategic risk in terms of achieving corporate financial targets	Risk	Medium	OO;
Enhanced productivity and corporate reputation through appropriate attention to the well-being of employees	Opportunities	Medium	OO;

The actual and potential impacts on the own workforce identified above: (i) derive from or are linked to the company’s strategy and business model and (ii) guide the company’s strategy and business model by contributing to their adaptation. The impacts and dependencies in terms of work force affect, for obvious reasons, the Group’s risks and opportunities and consequently its strategy and business model.

The occurrence of negative impacts may derive both from distinctive factors specific to the Group and from systemic factors related to the economic and regulatory environment. In the same context, the activities that generate positive impacts on its own workforce, as well as the types of employees and non-employees who suffer or may be affected, are described, for each material topic, in paragraphs *S1-4 – Taking action on impacts on its own workforce, and approaches to risk and opportunity management, as well as effectiveness of the actions taken.*

S1-1 – Policies related to own workforce

For the Sparkasse Group, work-life balance has been a fundamental pillar in its human resources management for many years, embodying a real and tangible commitment to sustainability and the well-being of its employees. This guiding principle is not limited to a simple theoretical definition but is embodied in structured and measurable actions designed to create working environments that favour the reconciliation of personal and professional needs and is integrated into the Group's various processes.

This strategic approach is characterised by its ability to evolve and respond to changing needs in the context, thanks to constant monitoring and regular updating in direct collaboration with the Executive Board. This integrated approach not only strengthens the relevance of the plan within the organisation but also testifies to the Group's willingness to anticipate and manage changes in the market and society, putting the well-being of employees at the heart of every decision. In this way, the Sparkasse Group is supporting an exemplary model in promoting a harmonious work-life balance, contributing decisively to the success and growth not only of individual employees, but of the entire organisation.

Responsibilities related to the implementation and enforcement of legislation, practices and procedures related to work-life balance are entrusted to the People Management Division, which, in conjunction with the People & Transformation Department, works daily to translate the commitment to a corporate culture of well-being and sustainability into concrete results. In line with this approach, the Staff Regulations formalise this attribution of responsibility to the Division, specifying in detail the activities for which it is responsible in the area of work-life balance. For the time being, no specific policy on work-life balance has been defined, a choice motivated precisely by the structure of the system of internal sources, which provides for the detailed definition of the responsibilities and relevant activities of the different Departments directly in the Internal Regulations.

S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The *material* topics highlighted by staff are increasingly those of work-life balance, quality of working life and, in particular, professional and career paths that enrich human resources. Furthermore, the Group pays particular attention to the continuous development of people through specific training programmes for each professional profile. In general, the initiatives launched in previous years continued for all companies during 2025, and in particular the activities on the topic of Welfare, understood as personal and corporate "well-being", were intensified, which represents a point of increasing attention and will remain of great relevance for the next few years.

The path towards an optimal balance is expressed through the achievement of the Family & Work Audit Certification, issued by the Autonomous Province of Bolzano. This recognition testifies to the Group's commitment to innovative and responsible policies, which translate into three-year plans of dynamic and adaptable programmes. These plans involve interventions and measures aimed at improving various aspects of working life, from managing working time and work organisation to caring for the physical environment and promoting effective internal communication. They also include strategies aimed at enhancing the role of management, fostering continuous staff development, ensuring adequate remuneration policies and incentives and, last but not least, offering services dedicated to supporting families.

In January 2025, the People Management Division initiated an internal reorganisation by creating three competent HR Business Partner structures per territory, with the aim of ensuring a direct and qualified point of reference for colleagues in the various geographical areas. This change increases monitoring at a local level and makes them better able to listen to specific needs. In addition to this, a new Welfare & Wellbeing Unit has been established, designed to highlight and give importance to the issue of people's well-being and the welfare policies applied by the Group, consolidating its commitment to a corporate culture that is focused on caring for and valuing its employees.

In line with the 2024 Values Project, which highlighted the Value to the Person, a Business Community was also created for the Group, with the aim of enhancing the specific attributes of each person and giving each individual and the various interest groups a voice to put forward their proposals, favouring active participation and the sharing of ideas.

Subject to specific organisational requirements, all Group employees may have flexible working hours and the possibility of working in agile mode (smart working). In particular, staff working in the central offices can work from home for up to 10 days per month, while for those working in the branch network, a maximum of 16 days are allowed to be devoted mainly to training activities. The new smart working agreement came into force from January 2025, valid until 31 December 2026. In line with the previous one, it introduces a significant new addition: the possibility for employees to carry out their activities flexibly for a maximum of five consecutive days, compared to the three days provided for in the old agreement, thus offering greater flexibility to employees.

In addition to these important flexible working practices, webinars on *Time Management* and a broader work-life balance project were carried out with the specific aim of providing employees with the necessary skills to better manage their time and the challenges presented by their daily professional and private lives.

Offering employees concrete tools to facilitate the work-life balance, especially in difficult times, is a pillar of our social sustainability strategy. For this reason, in 2023 the Group introduced the *Solidarity Time Bank*, an initiative that allows everyone to donate holidays, leave and hours accumulated in the time bank to colleagues who have run out of leave but need time to deal with personal or family emergencies.

This initiative is based on an essential principle: solidarity. Mutual aid not only offers concrete support to those in need but also strengthens the sense of belonging and cohesion within the corporate community, creating a more inclusive, empathetic and sustainable working environment.

With a view to community development and in the context of the sustainability and social responsibility strategy, in 2025 the Group launched the corporate voluntary initiative: an innovative project aimed at strengthening the bond between the Group, its employees and the community. Starting from January 2025, a paid volunteering day was introduced, which employees can devote to activities at organisations or associations registered at the RUNTS or as part of social projects promoted by the Sparkasse Group and/or the Cassa di Risparmio di Bolzano Foundation. This initiative allows employees to provide time and expertise to support social causes and promote regional cohesion.

Participating in this initiative not only fosters a culture of solidarity, but also promotes a sustainable growth model, in which the Group becomes a reference point for collective well-being, creating shared value, improving the social impact of our organisation and strengthening stakeholder trust.

In the conviction that well-being also passes through a healthy and positive working environment, further actions were grounded in the care and psycho-physical well-being of people. With this in mind, a modern and functional company gym was opened, with preferential rates for employees and their families, which gives them the opportunity to exercise on their own or to participate in the various courses organised throughout the week and at various times of the day to allow as much participation as possible.

Regarding well-being and mental health, the Employee Assistance Programme (EAP), has been set up to provide specialised counselling and advice to individuals who wish to use the service. Each employee can benefit from psychological and social welfare assistance, as well as legal and tax advice with the help and support of qualified professionals.

To meet the needs of households, the Group has arranged agreements with a number of facilities offering childcare services during the summer months when school activities are not available.

Furthermore, the Group is working on a project to open a company nursery, which is expected to be completed by the end of 2026, with the aim of offering an additional concrete service to support work-life balance.

In addition, a series of webinars on caring for elderly people and family members with disabilities are intended to raise awareness and support for all aspects of caregiving.

In order to celebrate people's achievements and strengthen the sense of community, a programme of events open to families and a scholarship programme for the children of employees who have excelled through their commitment and achievements has been implemented.

Professional and personal development is a strategic lever and contributes to creating the best conditions for working and personal well-being. Therefore, specific training courses were created for managers, with a focus on work-life balance, smart working team management and valuing diversity.

Finally, communication represents a fundamental pillar that, together with the actions described above, ensures that employees are informed about the various initiatives proposed. A dedicated communication and information channel for employees is the company Intranet, making it easier to find information and services for employees.

In compliance with the internal procedures defined in the Staff Regulations, the People Management Division controls and monitors the effectiveness of the actions and initiatives adopted, reporting the results to the relevant corporate bodies.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Together with the actions already taken in pursuit of a better work-life balance, the Group sets itself specific objectives within a structured three-year **plan of programmes 2024–2027**. This commitment is divided into a series of key action fields, identified at local tables representing the company's population, each aimed at promoting an increasingly flexible and inclusive work environment that is focused on people's well-being.

The 2024–2027 Plan translates into the following objectives, targets and progress:

Objective	Target/Metrics	State as at 31/12/2025
Promoting flexibility and work-life balance through expanding quality part-time and introducing part-time leadership	% of part-time requests in acquired leadership roles and % of part-time promotions	Initiated part-time leadership process; increased contract transformation requests; ongoing monitoring on part-time promotions.
Strengthening the use of smart working provided for in the new 2025-2026 agreement	Average number of smart working days used; % employees using smart working	Increase in use compared to the previous limit of three consecutive days; ongoing analysis on the actual use of smart working
Enhance collaboration, cohesion and corporate culture through team building initiatives and business communities	Number of collaboration initiatives; participation rate; effectiveness of territorial HR (employee feedback)	The company community activated in 2025 involved various interest groups; increase team-building initiatives; collected first territorial HR feedback.
Improving the organisation of spaces and reducing employee travel time	Number of equipped break spaces activated in the main offices	Present at CiviBank, assessing the feasibility of using dedicated spaces at Sparkasse
Strengthening internal communication on fairness, respect and inclusive culture	Number of communication initiatives; rate of participation in surveys; dissemination of DE&I Policy	Introduce paid company volunteering day; start campaigns on gender equality, parenting and caregiving; active community to promote dialogue.

Objective	Target/Metrics	State as at 31/12/2025
Promoting inclusive leadership and managerial growth programmes	% of managers involved in programmes (Manager as Coach, reverse mentoring, burnout courses)	Active Manager as Coach programmes; started courses on gender equality and caregiving; increased participation in courses on stress and burnout.
Strengthening welfare to support family and domestic loads	Convention usage rate (after-school club, baby-sitting, summer centres, nurseries); regional coverage	Activated new agreements in 2025; expanded regional coverage
Supporting employees in caregiving and parenting	Rate of use of older care conventions and caregiving services; rate of use of parental leave	2025 agreement for non-self-sufficient assistance was introduced; campaigns on active paternity; ongoing monitoring on parental leave and paternity.
Developing structural services for households	Company nursery project progress	Launched the company nursery project with completion expected by the end of 2026.

With reference to the issue of work-life balance, the Group has not defined specific measurable targets at present.

S1-11 – Social protection

Employees covered by the National Collective Labour Agreement (CCNL) in the credit sector benefit from social protection against loss of income in the event of illness, occupational injury and acquired disability, and retirement through benefits provided for by the CCNL.

The Cassa di Risparmio di Bolzano Group, in line with the provisions of the National Collective Bargaining Agreement for the sector, offers its employees a supplementary health care system to provide cover for medical expenses incurred.

Healthcare is based on the principles of solidarity, mutuality and employer involvement, which are considered fundamental to the achievement of company objectives. The system is structured to ensure financial sustainability in the relationship between contributions, benefits and administrative costs.

The beneficiaries of healthcare are Group employees with permanent contracts, employees receiving extraordinary benefits from the Solidarity Fund and their family members who are tax-dependent. Also provided for are specific cases, processes and benefits for non-tax dependent family members, such as spouses, cohabiting partners, children and other family members in the same household.

S1-15 – Work-life balance metrics

The Cassa di Risparmio Group guarantees all employees the right to family leave, as set out in the contractual terms.

The tables represented below are based on the number of employees (individuals and non-FTE) at the end of the reporting period (31/12/2024 and 31/12/2025) and does not capture fluctuations during the year⁸.

⁸ During the reporting year, the methodology used to calculate the number of employees taking family leave was further strengthened, which is why the 2024 figure was recalculated with respect to the 2024 Sustainability Statement by applying the new methodology.

Percentage of employees that benefited from family-related leave and breakdown by gender.

Return after parental leave	2025			2024		
	F	M	Total	F	M	Total
Percentage of employees entitled to take family-related leave	1,015	986	2,001	1,000	993	1,993
Number of employees who took leave	60	35	95	57	32	89
Percentage of eligible employees who took leave	5.91%	03.55%	4.75%	5.70%	3.22%	4.47%

Health and Safety

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to "Health and Safety", the following table shows the impacts, risks and opportunities (IROs) identified by the Group. These IROs refer to the total own workforce, which includes employees and other staff, and derive from the Group's overall activities. During the Group's Double Materiality assessment, no workers with particular characteristics were identified, i.e. working in particular contexts or carrying out certain activities, who are most exposed to risks or with greater access to the opportunities found to be material.

Own workforce (Health and safety)			
IRO description	IRO Type	Time horizon	Coverage
Potential increase in cases of occupational injury and occupational illness	Negative impact (Potential)	S-T	OO;
Increasing the level of safety and well-being for workers	Positive impact (Actual and Potential)	S-T	OO;
Risk of employee injuries and illnesses with negative impacts in legal, reputational and sanctioning terms, as well as economic (e.g. for replacing a sick employee)	Risk	S-T	OO;
Reducing costs related to the occurrence of accidents, absenteeism and turnover, and increasing productivity and work quality through a healthy and safe workplace	Opportunities	Medium	OO;

The actual and potential impacts on the own workforce identified above: (i) derive from or are linked to the company's strategy and business model and (ii) guide the company's strategy and business model by contributing to their adaptation. The impacts and dependencies in terms of work force affect, for obvious reasons, the Group's risks and opportunities and consequently its strategy and business model.

The occurrence of negative impacts may derive both from distinctive factors specific to the Group and from systemic factors related to the economic and regulatory environment. In the same context, the activities that generate positive impacts on its own workforce, as well as the types of employees and non-employees who suffer or may be affected, are described, for each material topic, in paragraphs *S1-4 – Taking action on impacts on its own workforce, and approaches to risk and opportunity management, as well as effectiveness of the actions taken*.

S1-1 – Policies related to own workforce

The overall health and safety policies described below apply to the following Group Entities: Cassa di Risparmio di Bolzano, CiviBank and Sparim. In this regard, the Group has adopted specific internal regulations "*Protection of health and safety in the workplace*", updated in 2025. The Group considers the physical integrity of its human resources an inalienable value. The aforementioned Group companies operate with full respect for human dignity

and are committed to ensuring working conditions in a healthy and safe environment in compliance with all regulations protecting worker safety and the environment.

The company's Occupational Safety Management System is based on full compliance with the relevant mandatory regulations and includes prevention efforts geared towards continuous improvement and the preservation of the physical and moral integrity of workers and users in order to achieve ever higher health and safety standards, widespread ergonomic levels and an optimal working environment.

To this end, the Group is involved in managing the prevention system, by means of methodologies and procedures and according to the specific type and complexity of the work activity, in order to guarantee general measures for the protection of occupational health and safety and full compliance with the evolution of regulations and strategic objectives in terms of occupational health and safety.

The health and safety policy adopted by the Group has been outlined with the following principles in mind:

- pursue the protection of the health and psychophysical integrity of workers by adopting the definition of health given by the World Health Organisation, which integrates this concept with that of worker well-being, through the provision of high-quality work spaces, equipment and processes;
- pursue, on the basis of the requirements of Article 28 of Legislative Decree 106/09, the assessment of both "risk factors" and "risk conditions";
- pursue a "precautionary principle" on the basis of the provisions of Article 15 of Legislative Decree 81/08, and of Article 2087 of the Italian Civil Code, aiming at the provision of corporate measures to improve the "well-being" of workers beyond the regulatory provisions.

The individual Group companies clearly explain and publicise the fundamental principles and criteria on the basis of which decisions of all kinds and at all levels are made regarding occupational health and safety through both internal occupational safety regulations and through the training and dissemination of existing procedures.

Moreover, the same Model for the prevention of offences pursuant to Legislative Decree 231/2001, of which the Group's Code of Ethics is an integral part, provides for corporate measures for the prevention of offences against the individual as well as offences committed in breach of the rules on accident prevention and the protection of occupational health and safety.

The Parent Bank has formalised the aforementioned procedures for occupational health and safety in the relevant internal regulations, submitting them to the Board of Directors for approval, as well as for updates and checks in accordance with the internal control system adopted. To this end, the individual Group companies constantly strive to:

- avoid risks;
- assess risks that cannot be avoided;
- combat risks at source;
- adapt work to people, particularly with regard to the design of workplaces and the choice of work equipment and working and production methods, in particular to mitigate monotonous and repetitive work and to reduce the effects of such work on health;
- take into account the degree of technical development;
- replace what is dangerous with what is not dangerous or is less dangerous;
- integrate prevention into planning, aiming for a coherent whole that incorporates technology, work organisation, working conditions, employer-employee relationships and the influence of factors in the working environment;
- prioritise collective protection measures over individual protection measures;

- provide workers with adequate instructions and training.

These principles are used to take the necessary measures to protect the safety and health of workers, including occupational risk prevention, information and training, and the provision of the necessary organisation and means.

Responsibility for the implementation of the policies remains with the Board of Directors or Chief Executive Officer/General Manager, who have delegated the occupational health and safety management function to the delegated employer. Within the Group organisation, specific responsibilities have also been assigned to the following people, as required by law:

- the Occupational Safety Management System Manager (Responsabile del Sistema di gestione della sicurezza sul lavoro, RSGSL) must ensure that the requirements laid down in the occupational safety management system documents are applied and kept active over time, as well as the application of the management and regulatory requirements for occupational health and safety;
- the Prevention and Protection Service Manager (Responsabile del Servizio di Prevenzione e Protezione, RSPP) is a particularly important person for the protection of workers' health and safety, as he/she is the person called upon, within the Group, to liaise with the employer in order to verify the adequacy of the accident prevention measures adopted;
- Executives in charge of Health and Safety, who, by virtue of their professional skills and hierarchical and functional powers appropriate to the nature of the task conferred upon them, implement the employer's instructions by organising the work activity and supervising it;
- Supervisors in charge of Health and Safety, who, by virtue of their professional skills and within the limits of hierarchical and functional powers appropriate to the nature of the task conferred upon them, supervise the work activity and ensure the implementation of the instructions received, monitoring their correct execution by the workers and exercising a functional power of initiative;
- Workers' Safety Representatives (Rappresentanti dei lavoratori per la sicurezza, RLS) are persons elected or appointed to represent workers with regard to aspects of occupational health and safety. The RLS has the function of protecting workers' rights with regard to safety and promotes the improvement of working conditions. They participate in monthly consultations and in the annual OHS meeting, which is normally held in December.

The Risk Assessment Document (Documento di valutazione dei Rischi, DVR) for occupational health and safety was also integrated on the basis of the implementation, for all Group companies, of an Occupational Health and Safety Management System (Sistema di Gestione della Salute e Sicurezza sul Lavoro, SGSSL), prepared on the basis of: 182 operational offices and all Group employees (2,020).

In 2025, the Group companies (Sparkasse, CiviBank and Sparim) obtained the ISO 45001 (Occupational Health Services and Safety of Workers) and ISO 14001 (Environmental Management System) certifications from the Swiss certification body QS International Schaffhausen AG.

In general, in the field of health and safety, the Group has defined policies and procedures with the following objectives:

- reduce risks related to work and the specific work environment;
- lower impact and environmental sustainability;
- improve working conditions and strict compliance with applicable legal and other requirements.

To this end, the Group shall establish a framework for establishing and reviewing the objectives to be achieved based on a review of the relationship between services and accidents/incidents that have occurred and dangerous situations and on the constant monitoring of these parameters.

The constant development of the company naturally involves the systematic verification and review of procedures, as well as the availability of resources in order to gather any suggestions and proposals for improvement from the direct parties concerned.

With reference to the protection of employees and customers and, in particular, the prevention of robbery and assault risks in branches and the management of employees in various emergency situations, including pandemic situations, the protection of people continues to be the cardinal principle inspiring all initiatives implemented for the protection of branches, which has led to the strengthening and introduction of technological security measures, supported by the development of a security culture.

S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

In order to ensure compliance with the above criteria and principles, the Parent Bank defines and applies effective policies and procedures to ensure health and safety in the workplace.

The Delegated Employer (Dario Maria Nardelli), with the cooperation of the Prevention and Protection Department, oversees the effectiveness and proper functioning of the process for safety in the workplace, for the Parent Bank and for the subsidiaries in accordance with the provisions of the Group Regulation "Protection of Occupational Health and Safety". In particular, the roles and responsibilities of the various organisational units responsible for carrying out the work of each Group company were assigned.

Every employee is required to pay the utmost attention to the prevention of hazards in order to avoid accidents and personal injury, and to comply with all health and safety regulations and practices relevant to their work, taking all necessary precautions to protect themselves and their co-workers. Furthermore, they must immediately report accidents, injuries and unsafe practices at the site concerned to their direct supervisor and/or the Prevention and Protection Department.

In addition, we have to consider, as a very important deterrent, the attention of our staff who adopt appropriate preventive measures, starting with the attention of the people/colleagues by promptly reporting critical issues and/or related operational concerns to their superiors, to the OHS, to the special Crisis Unit Committee (set up at the start of the pandemic) and to the managers of the Parent Bank.

With reference to the protection of employees and customers and, in particular, the prevention of robbery and assault risks in branches and the management of employees in various emergency situations, including pandemic situations, the protection of people continues to be the cardinal principle inspiring all initiatives implemented for the protection of branches, which has led to the strengthening and introduction of technological security measures, supported by the development of a security culture.

The Group has made efforts to uphold the principles set out in the company's policies on occupational safety, from the standard of workplaces and equipment to compulsory training, which, in terms of content and methods, is always particularly welcomed by employees

The officers in charge of health and safety of the Sparkasse Group, identified for the purposes of Legislative Decree 81/2008, are: the Group Occupational Health and Safety Manager, the Prevention and Protection Service Managers (RSPP) of the individual Group companies, the Group Prevention and Protection Officer (Addetto al Servizio di Prevenzione e Protezione, ASPP), the Chief Occupational Physician with two other Subordinate Occupational Physicians and the 8 Workers' Safety Representatives (RLS).

All employees are trained and informed about the regulations in force, risk prevention and how to behave in the presence of emergency situations including first aid, criminal events, fire. Specific training is also administered to the people covered by Legislative Decree 81/2008 (Executives, Supervisors, Emergency Officers, Prevention and Protection Officers, Workers' Safety Representatives).

In order to guarantee prompt intervention, "Special Duty Officers" are identified within the organisation, i.e. employees who, following appropriate training courses, are appointed as fire officers and first aid officers, as required by current occupational safety regulations. There are also "security contact persons" who intervene in case of alarms outside working time and cooperate in emergency management.

At the end of 2025, in the Group there are around 602 fire officers and 604 first aid officers, representing over 30% of staff. There are also around 300 physical security contact persons.

In addition to the above-mentioned physical and occupational safety, great attention is paid to the updating of training carried out in an effective and engaging manner, also using online technology. In 2025, more than 4,500 hours of occupational health and safety training were provided for a total of more than 700 participants, including numerous classroom and online training sessions.

In 2025, the occupational physicians carried out more than 280 medical examinations and 24 inspections at operational offices.

The main activities concerning occupational health and safety carried out in 2025 can be summarised as follows:

Main activities in 2025			
Surveys carried out by the Occupational Safety Service	Over 70 operational offices for monitoring environmental parameters/microclimate	38 branches for Radon detector positioning	Carrying out evacuation tests at operational offices
Training	Annual planning of occupational health and safety training courses	Teaching in courses for executives, supervisors, new recruits	Setting up online courses for robbery and assault risk
Regulations	Updating the DVR and emergency plans Risk assessment update	Updating Regulation, operational standard and annexes	Constant updating Woody section on Occupational Safety
Health and well-being	Planning medical appointments and health monitoring	Evaluation of possible health and well-being activities with the Occupational Physician	Health and safety risks update, update of job duties and related risks
Meetings	Monthly meetings with RLSs and Occupational Physicians	Periodic Crisis Unit meetings with Occupational Physician	Updates with Sparim to evaluate operational offices

On 20 November 2025, the annual OHS Meeting was also held, attended by the RLSs, the heads of various Departments/Divisions and units, representatives of Group companies, occupational physicians, etc., during which the activities carried out and the targets for the following year have been shared and the approval of the DVR has been updated.

The positive trend of occupational safety in the Group is mainly due to a very low number of work-related injuries (No. 2) and 12 commuting accidents. During 2025, as in previous years, there was no report of occupational disease.

Accidents, incidents and/or other events that are examined by us to identify possible improvement measures and/or other events may occur. For some years, there have been few accidents in the workplace (caps) while those "commuting", on the increase, concern accidents involving transport or trips and falls occurring outside the operational offices. The very few criminal events that have happened have also been analysed and of course indicated some prevention and protection measures within our competence, but the risk for OHS is of course also assessed according to the number of events over time and their consequences to people.

As far as occupational health and safety is concerned, in 2025, around EUR 160,000 was spent at Group level; a total expenditure of around EUR 160,000 is expected for 2026.

There were no investments (CapEx) in 2025 and none are planned for 2026.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

With a view to constant measurement and continuous improvement, the Sparkasse Group has set itself the objective of maintaining the integrated certification 14001-45001 to ensure that the services are carried out while safeguarding the health and safety of its employees and the protection of the environment.

The main objective of the Group's occupational safety system is to minimise the number of work-related injuries.

The main activities planned for 2026 are summarised below:

ISO certifications

- Activities to maintain ISO 45001, ISO 14001 and ISO 9001 certifications for SPARIM
- Activities to maintain ISO 45001 and ISO 14001 certifications for SPARKASSE
- Activities to maintain ISO 45001 and ISO 14001 certifications for CIVIBANK

Training

- Planning and provision of training of Executives in charge of Health and Safety and Supervisors in charge of Health and Safety
- Planning and delivery of the new training to the statutory Employer (Civibank AD/DG and Board) as provided for in the new State-Regions agreement
- Planning and provision of training to new recruits
- Planning of training/updating to workers
- Planning of training of Fire Officers and First Aid Officers
- Implementation of appropriate training on the risk of robbery/assault for sales network employees

Other planned activities are:

- Risk assessment of job duties and related occupational health and safety risks, in cooperation with the Occupational physician, RLS and any external consultants
- Updating of the lists of staff exposed to risk at work with the definition of the plan of health checks for staff at risk
- Definition of any analyses and/or measures for a new Assessment of Work-Related Stress Risk based on the INAIL platform in cooperation with the RLS, RSPP and the Occupational Physician
- Organisation of periodic consultations with the Group's RLSs
- Planning of fire tests and carrying out evacuation tests in all operational offices
- Constant updating/preparation of DVRs and Emergency Plans of the operational offices (new or renewed) and the relevant emergency floor plans
- Monitoring and positioning of detectors for Radon risk according to the new regulations
- Constant support in the field of occupational health and safety and/or in any critical situation
- Risk assessment of job duties and related occupational health and safety risks, in cooperation with the Occupational physician, RLS and any external consultants
- Updating of the lists of staff exposed to risk at work with the definition of the plan of health checks, including for staff at risk

- With Sparim, interventions to be carried out in Sparkasse and CiviBank's various operational offices concerning real estate investments as set out in the 2026 business plan.

As previously mentioned, in order to have those features which may grant an exemption from liability as provided for by the regulations in force (Legislative Decree 231/2001), the current occupational health and safety management system must be implemented/updated also on the basis of the aforementioned observations of the ISO 45001 Certification and of what the standard provides for on occupational health and safety.

With the fundamental aim of continually reducing work-related injuries, the collaboration with the Academy for planning training, with RLSs, Occupational Physicians and all those who, between Executives and Prevention Officers and those in charge of emergency management, have a role and responsibilities in managing occupational health and safety.

In the aforementioned areas of prevention, consideration will be given to the opportunity to develop those initiatives concerning the improvement of the home-work relationship, the organisation of time, the inclusion of exercise-well-being-eating also in the work environment, and more, for a sustainable and continuous pursuit of well-being at work.

Aside from the above, which is functional to maintaining the aforementioned certifications, the Group has not currently defined any further, specific measurable targets for occupational health and safety.

S1-14 – Health and safety metrics

The Board of Statutory Auditors, acting as the Supervisory Body pursuant to Legislative Decree No. 231/2001, is periodically informed by the Occupational Health and Safety Manager on the progress of the action plans and any measures envisaged for the continuous improvement of the organisational model. If necessary, the Prevention and Protection Service Manager, the Internal Audit Department and the Compliance Department are involved.

Executives and Prevention Officers must ensure compliance with regulatory requirements and compliance with rules of conduct, prevention and protection measures and internal regulations on occupational health and safety.

The Occupational Safety Department carries out a review of first-level monitoring, which consists of analysing the critical issues that have emerged at the level of reports by workers, reports by supervisors and audit reports of any kind carried out, and consequently assesses the preventive and corrective measures to be implemented.

The action plan therefore contains all the actions planned as a result of the critical issues and observations recorded and indicates not only the responsible parties, but also the verification of the effectiveness of the improvement action carried out.

In 2025, 100% of workers are covered by the occupational health services and safety management system, as in the previous year.

In 2025, the number of deaths due to work-related injuries is zero, just as it was in the previous year.

In 2025, the number of deaths due to work-related accidents and/or illnesses is zero, just as it was in the previous year.

In 2025, there are no occupational diseases registered by the occupational physicians, just as it was in the previous year.

In 2025, the number of accidents was 14 (5 in 2024): Two accidents at work (2 in 2024) and 12 commuting accidents (3 in 2024) for a total of 235 days absence from work (78 in 2024).

The OHS is informed by the Compensation & Benefit Unit of the number of accidents and days of absence related to them: in 2025, out of a total of 2,950,671 hours worked (2,962,019 in 2024), the accident rate is 4.74% (1.7% in 2024).

Equal Treatment and Opportunities for All

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the issue of "Equal treatment and opportunities for all", the following table shows the impacts, risks and opportunities (IROs) identified by the Group. These IROs refer to the total own workforce, which includes employees and other staff, and derive from the Group's overall activities. During the Group's Double Materiality assessment, no workers with particular characteristics were identified, i.e. working in particular contexts or carrying out certain activities, who are most exposed to risks or with greater access to the opportunities found to be material.

Own workforce (Equal treatment and opportunities for all)			
IRO description	IRO Type	Time horizon	Coverage
Discrimination between women and men, with particular reference to governance roles and employees in the Group with negative repercussions on management	Negative impact (Potential)	S-T	OO;
Difficulties in integrating persons with disabilities into the working world	Negative impact (Potential)	S-T	OO;
Promoting the inclusion of people with disabilities in own workforce	Positive impact (Actual and Potential)	S-T	OO;
Widespread enhancement of people in the company through the promotion of diversity, equity and inclusion policies	Positive impact (Actual and Potential)	S-T	OO;
Weaknesses in diversity, equality and inclusion policies resulting in non-compliance and reputational risks	Risk	S-T	OO;
Increased productivity linked to greater inclusion	Opportunities	Medium	OO;

The actual and potential impacts on the own workforce identified above: (i) derive from or are linked to the company's strategy and business model and (ii) guide the company's strategy and business model by contributing to their adaptation. The impacts and dependencies in terms of work force affect, for obvious reasons, the Group's risks and opportunities and consequently its strategy and business model. The occurrence of negative impacts may derive both from distinctive factors specific to the Group and from systemic factors related to the economic and regulatory environment. In the same context, the activities that generate positive impacts on its own workforce, as well as the types of employees and non-employees who suffer or may be affected, are described, for each material topic, in paragraphs *S1-4 – Taking action on impacts on its own workforce, and approaches to risk and opportunity management, as well as effectiveness of the actions taken.*

S1-1 – Policies related to own workforce

The Sparkasse Group, certified for Gender Equality in 2025, reaffirms its commitment to promoting an inclusive, fair and discrimination-free working environment at all levels. It does not allow any form of unequal treatment of any individual. It also ensures the absence of discrimination in recruiting, hiring, training and management of the employment relationship in all respects, as provided for in the "Diversity, Equity & Inclusion" Policy - implemented as of 2023 - by all Group companies, as well as in the Code of Ethics and Conduct.

The "Diversity, Equity & Inclusion Policy" was approved by the Board of Directors and, in general, the organisational responsibility for ensuring its implementation lies with the People Management Division. No specific worker involvement process was carried out for the definition of this Policy. Nonetheless, employees were provided with adequate information on the Policy adopted and the People Management Division is available to receive any comments and/or requests regarding the principles contained in the Policy.

The Group recognises the importance of a diverse organisation and ensures that all people have equal opportunities in the development of their careers within all Group companies and that they can freely express their individual characteristics without any discrimination regarding race and ethnic origin, skin colour, sex, sexual orientation, gender identity, disability, age, religion, political opinions, national ancestry or social background, as

well as any other form of individual characteristic. moreover, diversity represents value added: it generates plurality of perspectives, fosters innovation and contributes to a stimulating working environment. It makes it possible to respond effectively to market stimuli by generating effective and innovative solutions that protect internal and external stakeholders. Finally, it strengthens the corporate image and reputation, allowing the Group to be more attractive to new employees and investors. If situations involving discrimination are identified, structured grievance procedures are provided for handling the reports. These policies are implemented through specific procedures aimed at preventing, mitigating and addressing incidents of discrimination, as well as promoting diversity and inclusion; for further details on the grievance and reporting mechanisms adopted, please refer to Chapter 7.1 "Business culture, Protection of whistleblowers, Corruption and bribery" and, in particular, to the paragraph "Internal whistleblowing systems".

By monitoring this issue, potential risks related to the loss of key people, the creation of an unsuitable working environment (with a consequent increase in the turnover rate) and the dissemination of an unrepresentative image of the Group can be reduced.

For these reasons, the Group is constantly striving to enhance the talents, skills, experience and diverse cultural backgrounds of a pluralistic organisation, where people feel respected, appreciated and can express their potential.

The following principles guide the Group's approach:

- full respect for human rights;
- attention to equal dignity and equal opportunities;
- fairness and non-discrimination;
- freedom of expression;
- transparency.

This approach is in line with the "material" topics that define the Group's profile, such as: reliability, collaboration, respect for customers, employees and the community, internal and external accountability, and reporting as a tool for transparency.

The DE&I policies are integrated within the Group's overall regulatory framework, with particular reference to the following documents:

- Cassa di Risparmio di Bolzano Group Code of Ethics
- Sustainability Policy;
- Regulation on Remuneration Policies and practices.

They also underpin all the policies the Group adopts for human resources management.

Concerning the process of worker involvement for policy-making purposes, please refer to section 3.1 (S1-2).

S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Group has implemented specific actions to promote diversity, equity and inclusion in line with the Diversity, Equity & Inclusion policy adopted and the Strategic Plan for Gender Equality approved by the Resources Committee. This plan, an integral part of the UNI/PdR 125:2022 certified system, defines measurable objectives and KPIs to ensure transparency, monitoring and continuous improvement of DE&I policies. Achieving Gender Equality Certification in 2025 represents official recognition of the Group's commitment and a strategic choice aimed at enhancing diversity as a lever for innovation, organisational well-being and corporate reputation. This recognition not only certifies compliance with national equality regulations and standards but strengthens the Group's reputation as a responsible and inclusive employer. The certification contributes to increasing the attractiveness to qualified talent, promoting recruiting and retention, and improves the Group's perception of

investors and stakeholders, in line with ESG (Environmental, Social, Governance) criteria. In addition, it strengthens its competitive capacity on the market, as diversity and equity generate innovation, resilience and sustainability in the long term. This result confirms the Group's commitment to creating shared value and promoting a corporate culture oriented towards social responsibility.

Safeguards are in place to continuously ensure a selection, evaluation and promotion process based on objective and transparent criteria so that no subjective criteria (ethnicity, language, religion, gender, sexual orientation, national origin, age, disability, political opinion, marital status, etc.) can impact on the selection and career development of individuals.

In particular, the Group has adopted internal policies to eliminate the glass ceiling, i.e. those obstacles that female workers encounter in their careers to reach top positions. Moreover, it has been verified that career development paths are implemented equally for men and women.

The Group's commitment to promoting diversity is also realised through strategic partnerships. The Group adheres to the ABI's *"Women in Banking Charter"* and actively collaborates with *"Valore D"*, a network uniting over 350 Italian companies committed to promoting gender inclusion and equality in the professional world.

Thanks to these partnerships, several training and information initiatives ("talks") on the topics of *"Diversity Equality & Inclusion"* continued in the year 2025, involving a high number of employees, with the aim of fostering the adoption of actions and measures to promote respect and integration between people, in order to develop a functional cultural approach to an inclusive work environment. At the training level, much emphasis was placed on promoting the DE&I culture at the managerial level: several thematic workshops were organised for Sparkasse Group managers aimed at understanding the reasons why it is useful to promote diversity in a working group and to provide the tools to enhance it in the best possible way.

Gender equality has also been promoted through various awareness-raising initiatives: both through the publication of information on the company intranet and through the use of the online course *"Gender Equality in the Sparkasse Group"* developed with the target of providing an overview of the commitments and actions taken by the Sparkasse Group to promote gender equality at all levels of the company and assigned to all new hires.

Motherhood remains an obstacle in the path to achieving gender equality in the labour market, as the choice to have a child affects men and women very differently (the "child penalty"). To this end, the Group launched awareness-raising actions aimed at promoting greater use of parental leave by men and continued to provide training courses entitled *"Back to Work!"* with the aim of facilitating the return to work by raising participants' awareness of an appropriate distribution of family workloads.

Finally, the Group is constantly committed to supporting people belonging to "protected categories" (individuals with disabilities and other groups entitled to employment support under Italian law). In both Banks there are employees belonging to protected categories who are perfectly integrated within the teams they are part of and assigned activities and tasks suited to their abilities and aptitudes, under the terms of the regulations in force. In addition, there are specific Programme Agreements in place that provide for a recruitment plan; in this regard, both Banks have entered into an Agreement with the relevant institutions that provides for a Recruitment Programme to gradually cover the compulsory quota provided for by the regulations in force.

The action plan entailed operating expenditure totalling around EUR 17 thousand for memberships and training. A budget of approximately EUR 13 thousand has been allocated for 2025.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

A key target of the Group is to develop governance controls and mechanisms to ensure compliance with internal policies and national and international standards on human rights, diversity, equity and inclusion, so that no one suffers any form of discrimination based on individual characteristics such as gender, age, ethnicity, sexual orientation, disability, religious beliefs or other personal or social conditions.

Confirming this commitment, the Group obtained the UNI/PdR 125:2022 Gender Equality Certification, which provides for the adoption of a structured management system and the constant monitoring of dedicated KPIs. This certification also includes periodic listening tools and surveys on the subject of harassment and discrimination, ensuring active and verifiable monitoring for the prevention and management of any non-compliant behaviour.

The governance system adopted by the Group is based on clear and transparent processes, with periodic controls and internal audits aimed at verifying compliance with current policies and regulations. Particular attention is paid to continuous training and cultural awareness, through workshops, online courses and information campaigns that promote respect, inclusion and equal treatment. Furthermore, the Group regularly collects feedback from its employees and uses qualitative and quantitative analysis tools to identify areas for improvement, thus ensuring a dynamic and continuous improvement-oriented approach.

Strategic objectives and progress as at 31/12/2025:

Intervention area	Objective	Target/Metric	State as at 31/12/2025
Selection and Recruitment	Ensure fair and inclusive processes	50% women out of total Group workforce	Ongoing – 48% achieved
Career	Promoting access to responsibility roles, also part-time	Elimination of contractual limit + access tracking	Proposal for amendment under negotiation
Salary Equity	Pay gap $\leq$ 5% by level and company	Annual analysis and corrective actions	Average gap 4.8%
Parentality and Care	Promoting active paternity and caregiving support	Report on male beneficiaries paternity leave $\geq$ 95%	Awareness-raising actions started
Work-Life Balance	Increase use of agreements for care services	+20% registration in affiliated facilities	Ongoing
Prevention of harassment	Strengthening policies and mandatory training	Published policy + 100% total workforce	Published policy, 80% training

In accordance with the "Horizon 2026" Business Plan and the Group's ESG Plan, attention is paid to the recruitment of staff under the age of 25. Indeed, a target was set to ensure that 40% of new hires in the Parent Bank are under 25 years of age.

The Group uses qualitative and quantitative metrics in order to verify the effectiveness of its actions and to monitor the matters under its responsibility. It prepares periodic reports that are shared with management and the relevant committees.

The Group monitors and reports on the composition of the workforce with respect to different aspects of diversity, including gender, age, cultural background and other characteristics at least annually. Monitoring is also done by annually compiling the *Inclusion Impact Index*, which measures the effects of actions undertaken to promote Diversity, Equity and Inclusion. It consists of two parts: a quantitative section that provides an analysis of the organisation's gender and generational equality, and a qualitative section that encompasses the company's positioning on inclusion in all its aspects, analysing the organisation's policies with respect to six aspects of diversity. The *Inclusion Impact Index* provides an insight into how the Group is positioned compared to other national players.

The pay gap is measured annually in order to verify its trend and to understand whether corrective actions are needed to ensure pay equity at all levels. In fact, the Group adopts a structured approach to ensure gender pay

equity, implementing an ongoing monitoring system based on specific indicators, focusing mainly on the Gender Equity Pay Gap, i.e. ensuring that there is equal pay according to the responsibilities and duties assigned.

The tables below are based on the number of employees (individuals and non-FTE) at the end of the reporting period (31/12/2025) and does not capture fluctuations during the year.

S1-9 – Diversity metrics

The gender distribution in number and percentage at senior management level

Job category	Gender (in numbers)			As a % of total employees	
	M	F	TOTAL	M	F
2025	32	5	37	3.25%	0.49%
2024	32	6	38	3.22%	0.60%

*Senior management refers to all Executives.

Distribution of employees by age group

Employees (number)	31/12/2025			31/12/2024		
	M	F	TOTAL	M	F	TOTAL
Age group						
<30	153	187	340	157	186	343
30-50	421	480	901	439	502	941
>50	412	348	760	397	(312)	709
Total	986	1,015	2,001	993	1,000	1,993
Average age	44.79	43.07	43.92	44.54	42.73	43.63

Distribution of employees by age group in %

Employees (number) in %	31/12/2025			31/12/2024		
	M	F	TOTAL	M	F	TOTAL
Age group						
<30	8%	9%	17%	8%	9%	17%
30-50	21%	24%	45%	22%	25%	47%
>50	21%	17%	38%	20%	16%	36%
Total	49%	51%	100%	50%	50%	100%

S1-12 – Persons with disabilities

Total number and percentage of employees with disabilities in the workforce

Gender	2025		2024	
	Number	As a % of total employees	Number	As a % of total employees
Men	28	2.84%	28	2.81%
Women	35	3.45%	35	3.50%
Total	63	3.15%	63	3.16%

People with a disability of at least 60% and recognised as mandatory hiring of persons with disabilities were included in the count⁹.

⁹ During the reporting year, the methodology used to calculate the number of persons with disabilities was further strengthened, which is why the 2024 figure was recalculated with respect to the 2024 Sustainability Statement by applying the new methodology.

S1-16 – Compensation metrics (pay gap and total compensation)

The tables below show the percentage gap in pay between its female and male employees and the ratio between the remuneration of its highest paid individual and the median remuneration for its employees. In particular, this disclosure includes:

- the gender pay gap, defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees;
- the ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration for all employees (excluding the highest paid individual).

Gender pay gap, expressed as a percentage of the average salary level of male employees, broken down by job category

The gross pay gap (*) between male and female employees is 26.96. The following table shows the gender pay gap for each job category.

Job category	2025	2024
Executives	7.29	11.13
Middle Managers		
Middle Managers-Level1	4.72	2.27
Middle Managers-Level2	4.89	6.16
Middle Managers-Level3	4.82	15.72
Middle Managers-Level4	10.2	19.19
White-collar		
Single Level	-0.33	-3.75
White-collar-Level1	2.05	0.46
White-collar-Level2	8.39	11.81
White-collar-Level3	11.82	11.83
White-collar-Level4	8.92	6.79
Total employees	26.96	28.56

The ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees

Ratio	2025	2024
Ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration of all employees**	11.12	12.97

(*) The gender pay gap, defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees. For the calculation of the pay gap, all employees were included and the following aspects were taken into account: Basic gross annual remuneration, one-off bonus, 13th month pay, production bonus, extraordinary insurance policies, car and any recurring elements (non-competition agreement, one-off bonus, performance-based variable remuneration).

(**)The following formula was used for the calculation: The ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees. The denominator excludes the gross annual pay of the person with the highest wage, i.e. the Chief Executive Officer of Cassa di Risparmio di Bolzano.

S1-17: Incidents of discrimination, complaints and human rights incidents

In 2025, no complaints or reports concerning incidents of discrimination (whether gender or any other form), human rights violations or actions violating the integrity of the person were received either through the established channels or through informal channels.

The company maintained an active whistleblowing system and dedicated reporting channels for possible human rights violations, ensuring privacy and protection against possible retaliation for all employees and stakeholders. The absence of complaints is a positive indicator of the Group's commitment to the promotion and protection of diversity and mutual respect, while the organisation remains vigilant and proactive in identifying areas for improvement.

Training and Skills Development

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic of "Training and skills development", the following table shows the impacts, risks and opportunities (IROs) identified by the Group. These IROs refer to the total own workforce, which includes employees and other staff, and derive from the Group's overall activities. During the Group's Double Materiality assessment, no workers with particular characteristics were identified, i.e. working in particular contexts or carrying out certain activities, who are most exposed to risks or with greater access to the opportunities found to be material.

Own workforce (Training and skills development)			
IRO description	IRO Type	Time horizon	Coverage
Inadequate capacity of employees to manage change due to training deficiencies	Negative impact (Potential)	S-T	OO;
Growth of workers' skills with associated increase in worker satisfaction	Positive impact (Actual and Potential)	S-T	OO;
Shortcomings in staff skills and qualifications resulting in economic losses	Risk	S-T	OO;
Increased productivity linked to increased staff professionalism	Opportunities	Medium	OO;

The actual and potential impacts on the own workforce identified above: (i) derive from or are linked to the company's strategy and business model and (ii) guide the company's strategy and business model by contributing to their adaptation. The impacts and dependencies in terms of work force affect, for obvious reasons, the Group's risks and opportunities and consequently its strategy and business model. The occurrence of negative impacts may derive both from distinctive factors specific to the Group and from systemic factors related to the economic and regulatory environment. In the same context, the activities that generate positive impacts on its own workforce, as well as the types of employees and non-employees who suffer or may be affected, are described, for each material topic, in paragraphs *S1-4 – Taking action on impacts on its own workforce, and approaches to risk and opportunity management, as well as effectiveness of the actions taken*.

S1-1 – Policies related to own workforce

The Sparkasse Group recognises training and skills development as a strategic pillar for the achievement of corporate targets and the creation of sustainable value.

For this reason, the Group is committed to promoting training and development activities that foster continuous learning and flexible skills management, supporting the professional development of its employees. Adequate training is a transformation engine that enhances individual and collective performance, improving not only organisational effectiveness, but also the sharing and internalisation of corporate culture. This process not only enhances people's engagement but creates a virtuous ecosystem in which each individual feels part of the

company's success in line with the "Manifesto for quality" Policy, Sustainability Policy, ESG Plan and the "Horizon 2026" Business Plan and Diversity, Equity & Inclusion Policy.

The positive impact also extends to the Group's customers, who benefit from services characterised by high professional standards, an increased focus on risk prevention and a responsible approach. In this way, the quality of the service offered becomes a natural expression of the commitment and skills of the staff, strengthening trust and the relationship with the customer.

The adoption of transparent evaluation systems and well-structured professional development paths are central and are aimed at maximising the talent and potential of each individual.

All training and development activities are carried out in the Group with the target of:

- promoting training initiatives and development projects in line with the demands of the Business Plan;
- organising a quality training programme in line with the Group Values and the needs expressed by the Group Management;
- responding to regulatory changes by protecting staff and the Group from the commission, even unknowingly, of acts that may constitute offences;
- activating partnerships and relationships exclusively with consulting and training companies capable of guaranteeing customised, effective and high-quality training and development initiatives;
- enhancing and developing the competences of people in implementation of the Group's Sustainability Policy and Diversity, Equity & Inclusion Policy;
- optimising the service provided through continuous monitoring and process efficiency.

The Sparkasse Group's training and development initiatives are fully aligned with sustainability principles and the Sustainability Policy, with a focus on transparency, measuring impacts and creating shared value for stakeholders.

S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Quality Management System (QMS) in accordance with the international standard UNI EN ISO 9001:2015 for training services has been in place since 2021 in order to promote continuous improvement in the quality of the products/services offered and customer satisfaction, consistent with the context in which the Sparkasse Group operates.

The QMS is extended to all activities involving the design and delivery of courses and training paths for all Group staff.

The QMS is the tool through which the staff training needs are fulfilled, in line with the company's needs and strategies, and on the basis of the indications provided by the competent corporate functions, with a view to continuous improvement of performance. It was approved by People & Transformation Management and the implementation of the QMS is the responsibility of the People Management Division.

In 2025, the Sparkasse Group continued with conviction its growth path of technical, managerial and value-added skills started in previous years, in line with the social responsibility commitments and the Horizon 2026 Strategic Plan. The Learning Development Unit has expanded the scope of its offerings, strengthening the integration between regulatory and specialist training, leadership development, ESG culture and digital innovation. The overall design aimed at consolidating the Group's ability to address the transformation in the sector, while promoting organisational well-being, inclusion and risk monitoring.

The training and development offer made available by the Group and enjoyed by all its employees covered various topics and was delivered through online courses, classroom courses delivered by internal trainers and/or

external lecturers, "blended" courses, individual coaching, team building and highly specialised external courses. The main training areas are outlined below.

Be Sustainable

The training and development objectives and their state of progress can be summarised as follows:

Objective	Target/Metric	Period	State as at 31/12/2025
Increase management training at the Cassa di Risparmio Group level, by ensuring the participation of at least 75% of managers in training programmes by 2025	% of managers trained in leadership	01/01/2025-31/12/2025	87% of active managers as at 31 December 2025 carried out at least one course on leadership.
Train employees on ESG topics reaching 100% by 2026	% of employees trained in ESG	01/01/2024-31/12/2026	95% of employees active as at 31 December 2025 have carried out at least one activity within the ESG perimeter.
Promote the Group's values culture (Code of Conduct), ensuring that 60% of Group employees are trained by September 2025	% of trained employees	01/01/2025-30/09/2025	100% of active employees as at 31 December 2025 were involved in awareness/information activities through communication and internal engagement campaigns. 15%, on the other hand, was involved in training. In fact, a session was organised for managers on the new Code of Conduct and Sparkasse Group Values.
Launch continuous training initiatives under the Family & Work Audit project on the topics of "parenting", "individual well-being", "stress management", and "care-giving", aiming to develop the motivation and potential of persons, fostering opportunities for "re-engagement" of senior employees, identifying motivational drivers in younger generations and raising awareness of gender-related stereotypes	Number of initiatives organised	Recurrent	Eight training courses organised in the classroom in which more than 140 Group employees participated.
Launch social engagement initiatives on a continual basis to encourage green behaviours and a culture oriented towards environmental sustainability (e.g. waste management) through internal awareness campaigns	Number of campaigns launched	Recurrent	Initiated and completed two dedicated communication campaigns. Two online courses on environmental sustainability were also published.
Top and Middle manager with ESG targets included in the MBO by 2025	% of managers with ESG targets	31/12/2025	100% The Group has formalised the introduction of sustainability targets for Top and Middle Management, consolidating the link between ESG strategy and incentive policies. In addition to assigning explicit ESG targets, the achievement of performance targets is based on the evolution of the assessment system, which from 2025 onwards integrates the Group's Values as a central and binding parameter. This integration ensures that the achievement of individual results is inextricably linked to responsible behaviour towards people and the territory, thus enhancing the Social dimension of the ESG framework within the assessment process.

The culture of sustainability has remained at the centre of the Group's identity. During the year, workshops and awareness-raising moments were delivered dedicated to DE&I, caregiving, individual well-being and topics related to the Family & Work Audit area. Training activities were also started to obtain the UNI PdR 125:2022 certification.

In 2025, the awareness-raising process on the Group's Values and the Code of Conduct represented an essential lever of organisational cohesion and behavioural alignment, in keeping with what was initiated in 2024 and with the commitments undertaken in the ESG Plan. The intervention was designed to affect not only the level of awareness, but above all the daily practices of the Network and the Headquarters: the goal was to translate the principles of responsibility, integrity, proximity to the territory, collaboration and innovation into shared, recognisable and measurable working habits, in order to guide decisions, relationships and results along the entire value chain.

The aim of this process was to convey the operational significance of the values, to recognise expected conduct and to link said conduct to significant moments in a person's working life. This path has given substance to the Code of Conduct, understood as a mutual commitment between individuals and the organisation, and has fostered a common narrative that unites the two Banks of the Group despite the diversity of their territories and functions.

Action on inclusive leadership continued the direction taken in 2024: team coaches for Branch Managers and Directors, a focus on active listening and managing cultural and social differences, and completion of the *"Being leader of change"* programme for Branch Managers, with the aim of making managers and teams more ready to lead the transition and value people. In addition, social engagement and financial education initiatives were promoted throughout the year, in conjunction with the ESG Plan, which strengthened the link with the territories and contributed to the development of sustainable culture within the Group.

Skills development also takes place through a structured feedback process, which is an important building block for proper staff management; it represents a fundamental moment for the development and growth of the individual and allows particular training needs to emerge.

In the Group, performance is evaluated annually in the context of an interview that takes place on the basis of an internal evaluation system, which is subject to union reporting. In particular, at this interview the following are assessed:

- performance in terms of activities carried out and behaviours acted upon and the level of achievement of assigned targets;
- professionalism i.e. skills and capabilities with reference to the initiatives proposed and/or undertaken with respect to the assigned processes.

In order to ensure greater objectivity of the assessment, the system provides that the judgement expressed by the assessor on the assessed person is validated by a supervisor figure (usually the direct superior) and by the Parent Bank's People Management Division, according to an internal workflow.

In addition to the performance evaluation of the year ended, the process also includes the definition and assignment of targets for the current year to all staff. For the Top and Middle Managers, specific ESG-type performance objectives are assigned which, in turn, can be applied to their staff.

The aim is to promote a culture of sustainability and corporate values and develop a people-oriented inclusive leadership model to align managers and employees with the Sparkasse Group's ESG strategy and contribute to the achievement of sustainability targets.

On one hand, it is important to raise employee awareness on ESG topics, fostering a widespread and lasting cultural change. Through the adoption of training programmes and awareness-raising initiatives, the organisation commits to building collective awareness and promoting individual responsibility towards social and environmental sustainability targets. On the other hand, it is crucial to disseminate change-oriented leadership capable of placing people at the heart of the organisational process.

Technical Expertise

The training objectives and their progress can be summarised as follows:

Objective	Target/Metric	Period	State as at 31/12/2025
Provide online training activities on ESG topics across the Sales Network, incorporating more than four online courses on ESG into their dedicated training programmes number of ESG courses delivered to the Network	number of training sessions	Recurrent	11 online courses were organised on issues related to the integration of ESG factors into insurance and financial consultancy.
Develop technical knowledge on artificial intelligence tools applicable to the banking business by delivering specialised training courses and ensuring that 60% of Group employees are trained by 2025	% of trained employees	01/01/2025-31/12/2025	88% of active employees as of 31 December 2025 have carried out at least one training activity dedicated to the topic of Artificial Intelligence.
Develop a training and skills development plan in line with the requirements of the Departments and the needs of stakeholders.		Recurrent	Achieved: the training programme was validated by the branch structures and updated according to the various needs expressed

The Group has consolidated an integrated approach combining awareness of IT risks, organisational monitoring and literacy with the responsible use of Artificial Intelligence. The IT security training campaign was launched, releasing online courses on the topic. At the same time, programmes were planned aimed at digital resilience and regulatory compliance to increase knowledge of supervisory measures, incident reporting and ICT risk management along the operational chain. These initiatives have strengthened the Group's security culture, making internal safeguards and alignment with industry requirements explicit.

In the field of Artificial Intelligence, the Group has launched a widespread and progressive path starting from basic online training addressed to the entire corporate population, designed to clarify the fundamental concepts and introduce prompting techniques in a practical way, with the aim of disseminating a common vision and shared language on AI. This "literacy" was accompanied by a vertical webinar schedule dedicated to the main application hubs: privacy and security information (AI & Cybersecurity; Automation and Vulnerability; AI and digital Fraud), ethical and data integrity implications, as well as cases of use for individual and team productivity with the responsible adoption of tools such as Copilot.

During 2025, the Master's in Private Banking focused on the world of ESG organised in collaboration with the Italian Private Banking Association was launched. More than 40 participants of the Group, among them Private Consultants and Personal Banking Consultants, took part in a course lasting more than 25 hours, training on issues such as ESG in the field of financial advice, the definition of Green and Social Bonds and much more. The Master's has allowed the participants to sit the exam in order to get ESG Advisor certification.

Always with a view to strengthening technical ESG skills, the training programme initiated with the "*Competence Centre for Sustainability*" of the Free University of Bozen/Bolzano was completed, with participation from the Sparkasse Group's *ESG Officers* with the aim of aligning them with the main changes for reporting introduced by the European legislator.

The Group consultants attended training sessions to promote awareness of regulatory changes in sustainable credit management and to develop expertise on the integration of ESG factors in investment services and the internal advisory platform. Several online courses on ESG topics were included in the Network's continuing education courses.

On a commercial, regulatory and product level, the Sales Network was updated on the main changes introduced as well as on the impacts of regulatory changes in the ESG area.

The Group's training activity focused specifically on the introduction and use of the new "*CRM Microsoft Dynamics*" tool, strategic for the integrated management of customer relations and the development of the consulting model. A training programme was launched in two modules: the first module was aimed to accompany employees and collaborators in the knowledge phase of the platform, providing the operational skills necessary to effectively use the basic functions of the new system; the second module, on the other hand, was aimed at

consolidating the knowledge acquired and enhancing the potential of CRM as a lever for commercial development, planning activities and improving the customer experience.

These initiatives have been a fundamental step in the process of digitalisation and the development of Group's technical skills, favouring the adoption of a more integrated, collaborative and data-oriented working logic, consistent with the Group's strategy of innovation and continuous evolution.

With a focus on skills development and the acquisition of new roles, professional training pathways in credit, financial, and insurance matters were delivered, enabling employees to adequately respond to customer needs while meeting business targets. Furthermore, the Group has invested significantly in the professional growth of its resources through the provision of targeted training courses. Among the most relevant initiatives are the IVASS Course dedicated to preparing candidates for the examination for enrolment under the section A of RUI, which is fundamental for qualifying for insurance mediation activities and the course required to obtain the EFA certification of EFPA, recognised at European level.

The professional development of staff is lastly pursued through onboarding and on-the-job training programmes for new recruits, aimed at welcoming and guiding individuals, facilitating their independent understanding and internalisation of the Group's Values and characteristics, fostering team integration, and developing a sense of belonging to the company.

The strengthening of knowledge of regulations (including ESG), new technologies, new products, and new procedures aligns with the target of making the banking business innovative, sustainable, and in line with evolving market needs. Deepening technical expertise enables staff to remain up to date on emerging trends, comply with current regulations, and thus provide innovative and high-quality services to customers.

In short, the objectives to be pursued in this area are:

- Consolidate technical knowledge on artificial intelligence tools and actions to promote a cyber-security culture by ensuring that the entire company population is trained;
- Develop a training and skills development plan in line with the requirements of the Departments and the needs of stakeholders.

Career Transformation and Reskilling

The training objectives and their progress are shown below:

Objective	Target/Metric	Period	Status as at 31/12/2025
Launch targeted professional development pathways and reskilling initiatives by 2026	number of pathways launched	01/01/2025-31/12/2026	During 2025, the Group completed the "Skills-Powered Organisation" project. In 2026, the aim was to define dedicated training plans for professional families in order to promote dedicated growth and reskilling pathways.
Develop, by 2026, an advanced skills identification and valorisation system per professional category.		01/10/2025-31/12/2026	The mapping and identification of professional families was completed. In the development phase of ad hoc training programmes.

In 2025, the Group launched a comprehensive skills mapping project as part of the "*Skills-Powered Organisation*" programme. The project is a structured and consistent structure aimed at providing an integrated vision of the professional responsibilities present in the company, regardless of the organisational structure.

This model provides a solid basis for aligning key HR processes – such as organisational design, performance management, defining career paths and people development – and promotes transparency, fairness and organisational clarity.

Sparkasse Group's role model aims to define the main professional roles within the Group, understood as a combination of shared skills, competences and levels of responsibility.

The role model built for Sparkasse Group includes:

- 15 Professional Families;
- 61 Jobs;
- 564 Professional Roles.

The structuring of the role model will allow the definition of ad hoc training plans, with the consequent identification of specific training needs by role and function, favouring targeted development paths that are consistent with company strategies.

Customised upskilling and reskilling pathways will therefore be designed based on identified gaps, enabling employees to acquire strategic skills through targeted training, mentoring, and internal mobility programmes. Additionally, an integrated technological platform will be developed to monitor skills evolution, identify in-house talent and support dynamic training planning, ensuring a proactive approach to human capital management and enhancement.

The action plan described above for 2025 resulted in a total operating expenditure of EUR 1,002 thousand. A budget of EUR 958 thousand was approved for the 2026 action plan.

The focus on reskilling, skills enhancement, career development and the integration of ESG targets into managerial systems reflects the Group's strategic priorities with respect to sustainability targets. This approach not only prepares staff to face the challenges of a rapidly evolving market but also fosters a resilient and innovation-oriented organisational culture.

Through skills development projects, the Group aims to improve operational efficiencies, employee satisfaction, and the ability to achieve long-term strategic objectives.

The Group uses qualitative-quantitative metrics to assess the effectiveness of its initiatives. Quarterly reports are prepared and shared with management and relevant committees.

Specifically, the following data are analysed:

- Training hours delivered;
- Average training hours per employee;
- Number of employees involved in training activities;
- Number of employees involved in ESG-related training activities;
- Percentage of employees who have completed upskilling/reskilling courses;
- Percentage of employees who have completed professional development courses;
- Level of employee satisfaction with training programmes;
- Learning index of skills acquired through training;
- Employee engagement index measured through periodic surveys;
- Number of non-conformities related to training activities;
- Number of employees involved in periodic performance and career development reviews;

- Percentage reduction of grievances concerning service quality.

These indicators are subject to continuous monitoring to allow intervention if any of them fall below a minimum threshold.

S1-13 – Training and skills development metrics

The following tables present:

- the average number of training hours per employee and by gender;
- the percentage of employees who participated in periodic performance and career development reviews, disaggregated by gender.

Average number of training hours, by gender and job category

AVERAGE HOURS BY GENDER AND JOB CATEGORY						
JOB CATEGORY	2025			2024		
	F	M	TOTAL	F	M	TOTAL
Executives	96.55	49.87	56.18	72.39	39.5	44.7
Middle managers	65.28	69.12	67.69	56.03	63.55	60.91
White-collar	55.62	65.36	59.18	46.67	58.09	50.92
Total	59.00	67.01	62.95	49.58	60.49	55.02

The average training hours were calculated by including in the numerator the training hours completed between 1 January 2025 and 31 December 2025 by employees active as at 31 December 2025. In the denominator, on the other hand, the figure appearing in the table "Number of employees by job category and gender" in the ESRS disclosure requirement S1-6 was entered.

Total number of employees who participated in periodic performance and career development reviews broken down by gender and job category

Job category	(numbers)			(% of totals by gender)		
	M	F	TOTAL	M	F	TOTAL
Year 2025						
Executives	28	5	33	87.5%	100.0%	89.2%
Middle managers	489	264	753	86.5%	79.0%	83.8%
White-collar	354	589	943	91.0%	87.1%	88.5%
Total	871	858	1,729	88.3%	84.5%	86.4%
Year 2024						
Executives	24	6	30	75.0%	100.0%	79.0%
Middle managers	503	245	748	92.0%	83.0%	89.0%
White-collar	360	589	949	87.0%	84.0%	85.0%
Total	887	840	1,727	89.0%	84.0%	87.0%

It should be noted that the percentages shown in the table are calculated on the total number of employees as at 31 December 2025 and not exclusively on employees who actually participated in the periodic review of performance, including employees identified as "Material Risk Takers" who follow a specific assessment process.

Consequently, the people found to be *not assessed* include:

- employees who have served in the Company for less than six months (e.g. long maternity or sickness leave, new hires, etc.), as the observation period is not considered sufficient;
- employees for which the senior management team has not completed the entire process expected in the periodic performance review,

For these reasons, the number of employees considered in the total calculation may differ from that the number of colleagues only involved in the periodic performance review process.

A periodic performance review is defined as a review of which the employee is aware, conducted once a year based on criteria and procedures known to the employee and their superiors. The assessment is carried out by the employee's line manager and also provides for its validation by the assessor's supervisor. The revision is attended by the human resources department to monitor the process and verify that it is compliant.

Social Disclosures: Affected Communities

Affected Communities: Land-related Impacts

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic "Affected Communities", the following table shows the impacts, risks and opportunities (so-called "IRO") identified by the Group, taking into account all principle stakeholders included within the Community, which, as shown in the previous Chapter 1, are represented by: Public institutions and administrations, schools, universities and scientific/research communities, environmental associations and non-profit associations.

Affected communities (communities' economic, social and cultural rights - land-related impacts)			
IRO Description	IRO Type	Time horizon	Coverage
Lack of and/or inadequate support for territorial institutions aimed at promoting education (including financial education), social and environmental targets.	Negative impact (Potential)	Medium	OO;
Supporting territorial institutions that promote education, including financial and sustainability-oriented education	Positive impact (Actual and potential)	Medium	OO;
Contribution to social programmes and initiatives that promote social inclusion, community well-being and the protection of rights.	Positive impact (Actual and Potential)	Medium	OO;
Negative relations with communities or unsuccessful social and/or cultural initiatives that may result in damage to the Group's reputation with related negative financial effects	Risk	S-T	OO;
Fostering constructive relationships that may bring commercial and reputational benefits, such as stable and conflict-free operations and easier local recruitment	Opportunities	Medium	OO;

With its activities, the Group plays a key role in supporting our economy and society. The Group, also based on its origins and characteristics, is particularly attached to its local communities and is attentive to understanding the needs of communities in order to activate appropriate initiatives. In this context, territorial roots foster a direct and constant relationship with local communities, thus reducing the risk of significant negative impacts and strengthening the Group's role in pursuing positive impacts related to the communities in the areas in which they operate.

S3-1 – Policies related to affected communities

The Sparkasse Group intends to promote a development model for the local area and community that promotes equitable and sustainable well-being. In general, in compliance with the organisational model adopted, the person responsible for defining and implementing the relevant policies related to affected communities and, in particular, the impacts associated with local area is represented by the Board of Directors of the Parent Bank and that of the subsidiaries that comply with the guidelines provided by the Parent Bank itself. These policies are also defined taking into account the involvement of the affected communities as described in paragraph S3-2 – Processes for engaging with affected communities about impacts. It should be noted that measures to remediate human rights impacts are described in the following paragraph S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns.

The Parent Bank's Board of Directors approved the document "Sustainability Policy", which supports the definition of strategic choices in the area of sustainability, contributes to accelerating positive impacts and reducing negative impacts on the environment and people. In addition, it ensures stakeholder engagement along the entire value chain through initiatives to promote a culture of sustainability:

- support for community development through social programmes focusing on sustainability, education and financial culture, including through partnership agreements;

- support for the development of entrepreneurship initiatives in the area, particularly among young people and women;
- promoting and disseminating responsible practices aimed at fostering social cohesion and improving quality of life, in collaboration with regulatory authorities and other organisations.

Additionally, in 2024 the Group drafted a Human Rights Policy (approved in early 2025), which addresses all Group stakeholders, i.e., shareholders and investors, customers, Group employees, suppliers and business partners, and all communities in the territories where the Group operates. The Policy defines the principles the Group commits to promoting, with the aim of safeguarding the integrity of the Person in his or her physical sphere (understood as safety, freedom, and individual personality) and in his or her psychological sphere (understood as moral and social integrity). The Human Rights Policy is founded on the principles of equality, diversity, and inclusion and draws inspiration from internationally and nationally accepted declarations, conventions, standards, principles, guidelines, and recommendations, including the United Nations International Bill of Human Rights.

In 2025, the Group drafted the Ethical Claim Policy, with the aim of ensuring compliance with European and international regulations on ethical claims, which are fundamental to building the Group's reputation and social responsibility, promoting transparency and integrity in corporate communications and creating trust and value with customers and stakeholders. The Policy ensures that all ethical claims are verifiable and supported by concrete evidence, to avoid the risk of greenwashing or other misleading practices, in order to protect the local community.

The Group operates and has a presence in the following territories: Autonomous Provinces of Bolzano and Trento, Veneto, Friuli-Venezia Giulia, Lombardy, and Emilia-Romagna (with a single branch in Munich, Germany). Thanks to the widespread presence of Sparkasse Group branches across the territory, it engages local institutions and communities in initiatives aimed at generating the impacts described in the table above.

The identified impacts, risks, and opportunities, as well as the Sparkasse Group's Sustainability Policy and Human Rights Policy, apply to all communities in the territories where the Group has a presence.

In the context of land-related impacts, the Fondazione Cassa di Risparmio di Bolzano also plays a key role as the majority shareholder of Cassa di Risparmio di Bolzano SpA. The Foundation, a private legal entity, autonomous both with respect to its organisational documents and management, which pursues socially beneficial purposes, allocates annual dividends (resulting from the aforementioned shareholding) and revenues from the management of a securities portfolio to projects and initiatives in the Bolzano Province, in the form of donations and disbursements. The Foundation plays a central role in promoting sectors such as art, scientific research, support for socially vulnerable groups, and philanthropy.

S3-2 – Processes for engaging with affected communities about impacts

The views of the affected communities are gathered as part of assessing the Double Materiality, i.e. determining the materiality of topics to be prioritised in relation to the Group's business strategy and value chain. This input guides decisions and activities aimed at managing actual and potential impacts on the environment and people. Please refer to the specific paragraph SBM-2 in Chapter 1. No additional engagement processes have been initiated at this time.

S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns

Potential negative impacts on communities may arise from insufficient or inadequate support for promoting education (including financial education), advancing social and environmental targets, fostering social/cultural participation within communities and ensuring minority inclusion.

To manage these impacts, the Group plans and implements a range of initiatives (such as sponsorships, partnerships, etc.) designed to positively influence its reference communities.

The Group's relationship with the territory is based on constant attention and continual listening in order to be able to offer constantly evolving services, adapted to the needs and the knowledge profile of the stakeholders: through the website of the Group Banks it is possible to request information by filling in the specific forms, or by sending a message via the contacts specified. Additionally, Sparkasse and CiviBank maintain active social media platforms for engagement, where all interactions must observe respectful and appropriate language conventions. Beyond these channels, the Grievances Office serves as a further safeguard for customers.

In compliance with the defined internal procedures, the relevant Group Company Functions control and monitor the issues raised and addressed by channel users, ensuring the effectiveness of the channels themselves.

S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

The Group is committed to pursuing the positive impacts on the communities in the areas in which it operates by implementing social actions/programmes focused on sustainability, education and financial culture, as described below.

First of all, it should be noted that no serious human rights issues and incidents were reported during the year in relation to the affected communities.

In the area of financial and sustainability education, in 2025 the Group joined the Foundation for Financial Education and Savings (FEduF), which CiviBank joined over ten years ago. Thanks to this collaboration, the Group has structured financial education initiatives in its own territories. With the *"Financial Culture 2030: conscious savings value and consumption"* project, from the 2025/2026 school year, primary and lower secondary schools in some provinces within the local Sparkasse and CiviBank territories can request the on-site intervention of an experienced bank representative who will teach the children some basic financial and sustainability topics according to the objectives of the Agenda 2030.

In addition to this, in the Autonomous Province of Bolzano Sparkasse has signed an agreement with the Free University of Bozen-Bolzano and with the Intendenza scolastica italiana to promote financial education in South Tyrol, with the aim of contributing to the individual and collective growth of the local community, recognising the strategic role of financial education for sustainable development, social inclusion and economic citizenship. The initiative was launched with a pilot phase in the municipality of Bolzano to be carried out in the 2025/2026 school year.

The Sparkasse Group also actively supports sports, cultural and social initiatives with clearly defined targets and purposes.

In addition to strengthening relationships with customers and reinforcing customer loyalty, involvement and acquisition, the Group's support strategy aims to strengthen and consolidate ties with the socio-economic fabric - the very environment from which Banks' resources for their economic activity derive. The focus is on "valuable" sponsorships and donations and on high visibility initiatives to foster local development by supporting projects and initiatives of prominent local associations and entities, in order to generate measurable positive impacts for the community, people and the environment (where "impact" denotes an organisation's capacity to drive positive change in a given field to avoid negative impacts).

Collaborations with local entities are viewed as strategic opportunities, enabling direct dialogue between the Group and organisations that are closely attuned to community needs and aspirations, fostering the development of high-impact initiatives and activities. This ongoing engagement and dialogue with stakeholders and the Group's support to affected communities, conducted in compliance with internal regulations, helps mitigate or remediate declared potential negative impacts and risks.

Since 2021, CiviBank has been offering non-profit organisations **CiviCrowd**, a service that aims to promote crowdfunding as a tool to support projects capable of generating a positive impact in the area in which we operate. Thanks to the support of the technical partner Ginger Crowdfunding, the intention is to transfer concrete and cross-cutting skills to the non-profit sector within the fundraising and communication areas, and to make

activities more sustainable over time. Since 2023, CiviBank has developed its initiative by introducing the opportunity to access CiviCrowd via a call, in order to direct the positive social impact of initiatives towards the specific goals of the 2030 Agenda. In 2025, the Call for CiviCrowd provided an even broader and inclusive look: projects were welcomed that contribute to the objectives of the 2030 Agenda such as health, quality education, **equality and social inclusion**, but also initiatives capable of creating a positive impact in the **cultural, sports and environmental** sphere.

In 2025, Sparkasse re-proposes CiviBank's virtuous initiative and launches **Sparkasse Crowd**. As its first initiative, Sparkasse collaborated with the Cassa di Risparmio di Trento and Rovereto Foundation (Caritro) to enrich their traditional "Culture and Sport for Social" call with the possibility of activating crowdfunding campaigns. The call supports projects that identify and respond to the social needs of the local areas through cultural and/or sporting practices, integrating the training programme on *crowdfunding* and the opportunity to carry out a fundraising campaign through the Sparkasse Crowd platform. The call is aimed at networks of associations of the Autonomous Province of Trento: this amplifies the positive impact and the collaboration between companies engaged in the social, culture and sport of the area. In addition to the contribution of the Caritro Foundation for the most deserving projects, Sparkasse co-financing is envisaged up to 30% of the target of the *crowdfunding* campaign, up to a maximum of EUR 3,000. In addition, Sparkasse offers training and digital tools to activate crowdfunding campaigns, i.e.:

- the crowdfunding training programme (3 sessions for a total of 6 hours);
- access for associations to the Sparkasse Crowd portal on ideaginger.it and the support of a campaign manager of Ginger Crowdfunding.

More than 45 associations took part in the call "Culture and Sport for Social 2025", and the Caritro Foundation and Sparkasse awarded 9 of the candidate projects.

Local applicants seeking sponsorships or donations must submit proposals via a dedicated platform available on the websites of the Group's banks, or by making a written request directly to the Institutes of the Sparkasse Group, indicating the objectives for which the support is requested.

To ensure strategic and consistent allocation of sponsorship resources, only projects that meet stringent criteria will be evaluated, such as:

- reliability of the applicant;
- importance of the project or initiative, particularly its social impact on people, communities and environment;
- contribution to the goals of the 2030 Agenda and to the improvement of the "BES" (*benessere equo e sostenibile*, equitable and sustainable well-being) indicators;
- actors involved in terms of number, type, characteristics, diversity and level of interest aroused by the event/initiative/activity;
- strategies for local community stakeholder communication and engagement;
- quality of reporting on the results of the event/initiative/activity;
- the degree of partnership loyalty and operational collaboration between the Bank and the applicant Association;
- historical data of grant allocations in the previous years;
- geographical scope of operations - established or newly established areas.

The subsidiary CiviBank, as a Benefit Corporation, supports philanthropic activities also in the following areas:

- education and training: initiatives and activities related to the development of personal skills at any age, prioritising training interventions and educational projects related to financial education and sustainability;
- social: initiatives and activities supporting specific categories of people, particularly those in need or disadvantaged, activities and facilities oriented towards personal assistance (e.g. early childhood, youth, elderly, sick, disabled, needy and vulnerable);
- promotion of local development and environmental protection: activities to promote the territory and safeguard and enhance the environment, civil protection interventions, municipal and supra-municipal tourist events, local promotion initiatives;
- youth sport: sports and team activities exclusively in the youth sector that promote health and social interaction;
- culture: cultural promotion initiatives in the field of art (music, dance, theatre, cinema, painting and sculpture, poetry), the rediscovery/enhancement of the cultural values of local tradition and local artistic heritage;
- recreational and for community building: local events involving the population. These include, for example, activities aimed at specific groups of the local population (e.g. youth groups, clubs, alpine groups, local voluntary associations etc.).

Sponsorship requests are authorised by specially delegated organisational units and corporate bodies. Requests going beyond the limits of the delegated powers require authorisation from the Board of Directors of the banks belonging to the Sparkasse Group.

For the subsidiary CiviBank, as a Benefit Corporation, charitable donations may be allocated annually and are capped at 3% of net profit for the year, as per its Articles of Association and as determined by the Board of Directors and the Shareholders' Meeting. The Management (*Direzione Generale*) handles approvals unless internal regulations require authorisation from CiviBank's Board of Directors.

As a Benefit Corporation (Art. 44 of its Articles of Association), CiviBank is required to draw up an annual Impact Report. This document, drawn up in accordance with Italian Law No. 208 of 28 December 2015 provides:

- specific targets, methods and actions taken by CiviBank's directors to deliver common benefit;
- an assessment of the impact generated by the Bank's relations with its suppliers, with the local region and local communities in which it operates, the volunteering initiatives, donations, cultural and social activities, and all actions supporting local development and its supply chain, and also an assessment of environmental impacts (in terms of resource use, energy, raw materials, production processes, logistics and distribution processes, product use and consumption, and end-of-life).

For its Impact Report, CiviBank employs the B Impact Assessment (BIA) standard by B Lab, an independent, global, multi-stakeholder group with specific expertise in responsible and sustainable business practices.

S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The ESG Plan 2024-2026 seeks to position Sparkasse Group as a point of reference in the territory's journey towards sustainability. In particular, under its Horizon 2026 Business Plan, the Group has disclosed its target of allocating EUR 5 million for the three-year reference period to back activities supporting the community and territories.

The objective concerns the overall Banking Group through the banks Sparkasse and CiviBank, in the period defined by the Business Plan, i.e. from 2024 to 2026.

With this aim in mind, the Group is committed to social development, promoting inclusivity, investing in training and supporting the socio-cultural development of local communities.

Note: These targets were formulated without direct consultation with affected communities.

In relation to the aforementioned target, the Group is actively engaged in supporting the territory through sponsorships and donations. The following table details the amounts disbursed in 2025 by Sparkasse and CiviBank:

/000	2025			2024		
	Sparkasse	CiviBank	Group	Sparkasse	CiviBank	Group
Total sponsorships and donations (incl. VAT)	EUR 1,520	EUR 1,030	EUR 2,550	Euro 1,228	Euro 931	Euro 2,160

Social Disclosures: Consumers and End-users

Information-related impacts for consumers and/or end-users

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic "*Information-related impacts for consumers and/or end-users*", the following table shows the impacts, risks and opportunities ("IRO") identified by the Group. These IROs uniformly apply to all customer segments with which the Group operates, unless otherwise specified in the table.

Regarding the methods used to consider Group customers in identifying impacts, risks, and opportunities, reference is made to the general process adopted by the Parent Bank for conducting Double Materiality assessments. The identified IROs are also taken into account in defining the strategy and business model, in the general terms explained in the chapter 1.

CONSUMERS AND END-USERS (Information-related impacts for consumers and/or end-users)			
IRO Description	IRO Type	Time horizon	Coverage
Violation and disclosure of sensitive information, with potential financial harm (fraud) for customers	Negative impact (Potential)	Short term	OO;U-VC;
Loss of trust and/or financial harm for customers due to non-compliance with transparency and contractual principles	Negative impact (Potential)	Short term	OO;
Service disruptions, including potential cost increases for customers, due to inefficient management of disputes/grievances regarding compliance with transparency and contractual principles	Negative impact (Potential)	Short term	OO;
Increase in consumer trust thanks to accurate, transparent and quality information, including regarding access methods.	Positive impact (Potential)	Medium	OO;
Greater involvement of customers through the provision of adequate channels for feedback and communication with the Bank	Positive impact (Potential)	Medium	OO;
Inadequate handling of the processes concerning transparency on products and services offered, leading to legal, reputational, and non-compliance risks	Risk	S-T	OO;
Containment of costs and/or negative financial impacts related to customer grievances in the context of compliance with transparency and contractual principles	Opportunities	Medium	OO;
Increased trust and consequent customer loyalty, leading to positive financial effects	Opportunities	Medium	OO;

S4-1 – Policies related to consumers and end-users

The Sparkasse Group recognises the quality of information provided to consumers as a key element in ensuring a responsible, fair and inclusive banking experience. Access to clear, reliable and understandable information is crucial for customers to make informed decisions, protect their financial interests and feel safeguarded in their relationship with the bank. The Group is aware of the potential negative impacts that inadequate communication may generate: lack of transparency or the dissemination of incorrect information can result in a loss of customer trust, with possible reputational and legal consequences for the Group. Furthermore, inefficient handling of grievances or reports from consumers may exacerbate dissatisfaction risk and undermine long-term customer relationships.

The centrality of transparency and customer protection is fully integrated into the Group's governance model, which includes advanced monitoring tools and a continuous review process for contractual documentation and transparency policies. To this end, a risk-based approach has been adopted for managing regulatory obligations related to transparency and consumer protection. The organisational model incorporates supervision and control mechanisms to ensure that consumer information is always clear, comprehensive, and in line with legislative and market standards.

To address challenges related to consumer protection, the Group has developed a comprehensive framework of policies, guidelines, and processes aimed at ensuring a high level of transparency and quality in the information provided to customers, taking into account the Group's business activities and the applicable legal and regulatory requirements. These include:

- Regulations on the Transparency of financial transactions and services, which establish principles and guidelines to ensure fairness, transparency and protection for customers;
- Product Oversight Governance Policy for investment services, insurance products, and banking products and services;
- Customer Classification and Profiling Policy, which also serves as a fundamental pillar for better understanding customer needs and expectations regarding investments, guiding commercial policy towards an offering aligned with their requirements and in line with the adequacy parameters established by the protection model. Specifically, the following dimensions are analysed: Financial experience and knowledge; Risk tolerance; Investment objectives; Financial situation; Liquidity needs; Time horizon; Capacity to withstand losses; Sustainability (ESG) preferences, to align the offering with the customers's ethical and environmental choices, strengthening the bank's role in the sustainable transition;
- Operational Standard for the Development of New Products, Services and Activities, which governs the entire lifecycle of the Group's products. This standard ensures that each new product is developed in line with its target market, through continuous sales monitoring, analysis of received reports and ongoing comparison with commercial data to identify any misalignments with customer needs.

In general, responsibility for policy implementation remains, in accordance with the organisational model, with the Board of Directors.

In line with its strategic approach, the Group pursues targets aimed at improving the accessibility and quality of information, reducing the risk of misunderstandings and increasing customer trust. This includes reviewing contractual and informational/disclosure documents, simplifying the language used in commercial communications and adopting digital tools to make information more user-friendly.

Regarding the product offering, in order to ensure that banking products align with customer expectations and needs, the Group has developed tools for monitoring sales outside the target market, a process that involves continuous analysis of commercial flows and of any anomalies with respect to the reference targets. This system enables timely intervention in case of deviations, implementing corrective measures to realign the offering with actual market demand. More specifically, for investment products, based on data collected through the profiling

process, the Group develops strategic guidance for commercial policy, defining guidelines for launching new products, adapting the existing offer and creating tailored solutions.

In line with Product Governance rules, the Group has also defined and implemented procedures to improve the alignment between products offered and customer profiles, reducing the risk of mis-selling and ensuring greater consumer protection.

From an operational perspective, the implementation of the aforementioned procedures and policies, as well as their monitoring, is entrusted to the Business Strategy & Development Department, which oversees the following activities within the Group:

- Commercial and business strategy, namely the coordination of strategic commercial development activities, from the identification of growth drivers to the implementation of execution actions, and the assessment of the alignment of new strategic initiatives with corporate targets, in agreement with the other Bank Departments involved in the strategic process;
- Business Development, to ensure continuous commercial development across different sales channels, ensuring the broad-spectrum oversight and development of products to be offered to customers and the related remuneration, as well as ensuring regulatory oversight in the commercial sphere by liaising with the Bank's control functions;
- Customer engagement and omnichannel strategy, with the aim of overseeing the main remote customer support hub through the various available channels, ensuring the management and control of activities and operations, as well as designing the cross-channel customer trajectory and innovative ways of interacting with customers, coordinating their implementation with particular reference to CRM, including in terms of marketing automation.

S4-2 – Processes for engaging with consumers and end-users about impacts

The Group adopts a structured and systematic approach to engaging consumers and end-users, recognising their point of view as an essential element in guiding strategic decisions, product design and risk and impact management and does so through the main already operational feedback and monitoring tools, enhancing the information collected in daily interactions with customers. The evidence from complaints, requests for assistance, commercial activities and periodic checks on the quality of the information provided makes it possible to promptly identify emerging needs, critical issues and potential impacts related to products and services.

The relevant units – in particular Compliance and the structures responsible for transparency and customer protection – ensure the supervision of information content and alignment with regulatory requirements, integrating a risk-based approach to customer relationship management. The results of feedback activities are taken into account in the decision-making processes, in the review of the disclosure documentation and in the on-going improvement of services, with the aim of ensuring clarity, accuracy and full accessibility of information.

The **Sparkasse Meet** virtual advisory service is now established as a service and support channel, ensuring direct and customised dialogue with customers remotely and improving accessibility to banking services. During 2025, the necessary steps were taken to extend the model to **CiviBank Meet** as well, with the launch scheduled for January 2026, thereby extending the service to both Banks in the Group. In addition, a new **Customer Relationship Management (CRM)** system was introduced, allowing for more effective integration of interactions with customers by all players in both Banks, fostering more coordinated and timely management of needs and reporting.

The new **CRM**, based on the Microsoft Dynamics 365 platform, represents the evolutionary platform through which the Bank is strengthening the structured and centralised management of customer relations. Based on the Microsoft Dynamics 365 ecosystem, it makes it possible to organise business and operational activities more effectively, supporting teams in planning, managing interactions and monitoring opportunities. CRM offers a more

orderly and consistent view of relevant information, fostering leaner processes, greater collaboration between structures and better service quality provided to customers.

To further consolidate its commitment to customer experience, the Group periodically conducts customer surveys to assess satisfaction levels and/or better understand customer needs and expectations. These surveys, together with the analysis of commercial and sales data, provide key insights to improve the quality of the offering and customer relationships.

In addition to surveys, benchmarking activities are continuously carried out to ensure a positive impact on consumers and end-users, improving the quality, transparency, and accessibility of its products and services; the analysis of the offering helps identify areas for improvement in the customer experience, promoting more inclusive and consumer-protection-oriented banking solutions.

Furthermore, to monitor its competitive position, the Parent Bank conducts quarterly analyses of market shares in deposits and loans for each Bank, assessing pricing competitiveness relative to competitors. Additionally, benchmarking analyses are performed on specific business segments to refine business strategies and optimise the institution's positioning in the banking sector.

In 2025, initiatives were launched to promote financial education, aiming to support customers in understanding banking products and services, promoting greater awareness in financial decision-making.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The Parent Bank considers all communications (grievances or reports) received from customers through various channels, in order to improve its services. Where a service failure is identified, the grievances unit reports it to the competent unit so that the latter, or other competent units, can take steps to remedy it. The designated units are responsible for verifying the effectiveness of the remedies adopted.

Each customer may contact the Grievances Office of their respective bank by:

- ordinary or registered mail or in-person delivery at the branch where they hold their accounts;
- e-mail or certified email to the address indicated on the website of their respective bank within the Sparkasse Group under the "Grievances" section;
- or by completing a form available on the website of their respective bank within the Sparkasse Group under the "Grievances" section.

These channels are made available directly by the Bank, including through its sales network.

These methods are also communicated through information leaflets and the website.

Additionally, further informational channels are available, such as remote assistance with toll-free numbers, remote advisors and dedicated email addresses for enquiries, alongside the constant availability of the sales network in the local region.

The channels are provided directly by the Bank through its sales network, website, and information leaflets.

Annually, the number of grievances and customer contacts with the grievances unit is reported to corporate bodies and published on the corporate website. Similar communications are also sent to the supervisory authorities (Bank of Italy, Consob, etc.).

There are no specific arrangements in place to periodically ascertain awareness of these processes and channels. However, multiple informational channels are in place to promote their awareness.

In any case, given the number and frequency of requests received, it appears that the process and channels are known and used by customers. Data on channel usage and, consequently, on the number of grievances submitted are published on the website. For the other relevant matters, please refer to the section 71.

Among the main third-party mechanisms available to customers (excluding judicial ones) are:

- Banking and Financial Ombudsman (ABF);
- Financial Disputes Arbitrator (ACF);
- Insurance Ombudsman;
- Reports to Supervisory Authorities;
- Mediation and assisted negotiation;
- Intermediation by consumer associations.

These channels are all accessible to consumers/end-users.

Grievances are handled with the aim of resolving the issue and assessing the customer's concerns. Cooperation between other offices is often necessary to achieve this objective.

Certain specific grievances, where appropriate, are treated with internal privacy.

In all cases, for all grievances data privacy regulations are strictly observed.

Regarding the submission of anonymous reports, all communications received (e.g. anonymous letters) are considered. Of course, given the anonymous nature of the process, it will not be possible to provide feedback directly to the whistleblower.

The Group's banks annually publish the number of grievances received on their websites.

S4-4 – 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

In order to prevent negative impacts or to promote positive impacts associated with information relating to consumers/end users, the Group has implemented a series of initiatives to strengthen customer relationships, improve the quality of information provided, and ensure an increasingly transparent, secure, and accessible banking experience. Below are the key actions taken during the year:

Integration of sustainability preferences into customer profiling questionnaires

Regarding Sustainability topics, a project was implemented to integrate customer sustainability preferences into the advisory process.

In this area, the Group will continue its process of integrating the ESG criteria into its advisory model, which started in 2022 with the introduction of minimum sustainability filters in the selection of "Best Of" products and was strengthened in 2024 with the analysis of Principal Adverse Impact (PAI) and the ESG classification in the Target Market. For 2026, in implementation of the SFDR regulation, the Bank will assess the introduction of a specific indicator aimed at quantifying sustainability risk, separating it from the more generic market risk indicator currently in use. The focus on sustainability is also reflected in growing customer awareness: at the end of September 2025, around 35,000 Sparkasse customers and 12,000 CiviBank customers expressed their ESG preferences, with an interest rate of 60% and 51% respectively, and with over 60% of the Group's total portfolio positioned on customers attentive to sustainability issues.

Customer preference data is analysed centrally at least semi-annually.

Launch of the Spark Project, aimed at customers under 30 and designed to promote financial education

In 2025, the Spark project was one of the cornerstones of the commitment of Cassa di Risparmio di Bolzano to promote sustainable and inclusive growth of the local area. Spark is the initiative with which the Sparkasse Group has redefined its relationship with the new generations, moving from a traditional branch model to a physical-digital ecosystem designed to foster inclusion, participation and skills development. The project stems from an in-

depth analysis of the needs of young people and responds to the growing need for tools, languages and spaces that make the bank more accessible and closer to their expectations.

Spark contributes to creating social value by promoting financial education, orientation and economic awareness. Through digital content, workshops, talks and training courses, the initiative supports young people in developing the skills needed to make responsible decisions, reduce situations of financial vulnerability and increase their autonomy.

Through meetings in schools and universities, thematic workshops, edutainment events and innovative dissemination formats, Spark offers youngsters tangible tools to understand the value of savings, planning, responsible money management and handling of financial choices over the long term. The initiative is part of a broader vision of corporate social responsibility, in which the bank is not only a financial intermediary, but an active player in the cultural and economic development of the local area, contributing to the training of more aware, resilient and future-oriented citizens.

Spark, whose name evokes the concept of a "scintilla" (spark in Italian), aims to be a contemporary brand that focuses on support, inspiration and empowerment. The project involves the development of physical and digital places to foster discussion on the target's interests and needs: the two dedicated physical spaces created in Bolzano – Spark Space, a place of learning, creativity and community life, and Spark Studio, a space for the production of content and dissemination – strengthen the bond with the local area and promote the creation of more conscious and resilient communities; completing the ecosystem are the web app be-spark.it, social channels and a continuous program of activities that make financial culture easier, inclusive and participatory.

Customer and employee survey to assess satisfaction with the innovative branch concept

In 2025, with the support of a leading research institute, the Group carried out a survey aimed at verifying the level of satisfaction perceived by customers and employees regarding the innovative branch concept Guardare Avanti, conceived in 2018 and gradually implemented on the network (currently operational in approximately 20% of the physical network). The development of the research involved the combination of different methodologies: mystery client, personal interviews with customers, investigation of branch employees on a voluntary basis, case study analysis with respect to the market.

Area of application: Customers and employees of Guardare Avanti branches and traditional branches

Period: November 2025 – February 2026

No. of customers involved: approximately 460

Number of employees involved: 217

Analysis of app store reviews

The Meet Service continuously monitors and analyses the reviews left by users on stores relating to online banking apps, both for **Sparkasse** and **CiviBank**. This process involves collecting and categorising feedback, identifying critical issues, suggestions and positive aspects reported by customers. Subsequently, the contact centre prepares detailed reports and, where possible, responds to customers in order to improve the customer experience and strengthen the institution's image. Furthermore, feedback is shared with internal teams to optimise the apps and implement any functional improvements.

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group's strategic targets in consumer protection are developed along the following main lines:

- improving the transparency of information provided to customers by reducing the complexity of banking documents and increasing content clarity;
- strengthening the monitoring of product alignment with market targets, ensuring ongoing alignment between commercial offerings and customer needs;

- monitoring profiling data in real time, guaranteeing constant updates and increasingly advanced customisation of the offering;
- improving customer relationship management by optimising interactions between branches, advisors, and digital platforms;
- integrating advanced data analysis functionalities thereby enhancing the effectiveness and customer focus of the decision-making process;
- increasing customer engagement in decision-making processes by developing active listening tools and periodic surveys to gather feedback for improving banking services.

In addition to the above, the Group has not defined any further measurable targets in the topic under review.

The effectiveness of the policies and actions undertaken is monitored through a set of KPIs (Key Performance Indicators) that assess progress and identify potential areas for improvement. These metrics enable the Group to clearly evaluate the impacts generated and strengthen its consumer relationship management model, fostering continuous improvement and shared value creation. The main indicators adopted include:

- customer satisfaction levels, measured through periodic surveys;
- total number of grievances received and average grievance handling time;
- percentage of grievances resolved at first contact;
- market share in deposits and loans, monitored quarterly to ensure competitiveness of the offer.

Personal Safety of Consumers and/or End-users

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Regarding the topic "Personal safety of consumers and/or end-users," the table below outlines the impacts, risks, and opportunities (IROs) identified by the Group. These IROs uniformly apply to all customer segments with which the Group operates, unless otherwise specified in the table.

Regarding the methods used to consider Group customers in identifying impacts, risks, and opportunities, reference is made to the general process adopted by the Bank for conducting Double Materiality assessments. The identified IROs are also taken into account in defining the strategy and business model, in the general terms explained in the chapter 1.

CONSUMERS AND END-USERS (Personal safety of consumers and/or end-users)			
IRO Description	IRO Type	Time horizon	Coverage
Negative impact on the safety of customers in the physical spaces of the Group (e.g. branches, ATM...)	Negative impact (Potential)	S-T	OO;
Breach and disclosure of sensitive personal/company data (data breach) with potential financial harm (fraud) for customers	Negative impact (Potential)	Short term	OO;U-VC;
Increase in the level of safety and well-being of customers through the adoption of high safety standards for the protection of personal data and the safety of branches	Positive impact (Actual and Potential)	S-T	OO;U-VC;
Risk of privacy laws infringements and data breaches, resulting in reputational, legal and economic harm	Risk	S-T	OO;U-VC;

CONSUMERS AND END-USERS (Personal safety of consumers and/or end-users)			
IRO Description	IRO Type	Time horizon	Coverage
Risks to consumer health and safety with resulting financial impacts, from offering unsafe products or services (e.g. branch security)	Risk	S-T	OO;
Risk of Group involvement (through financing/investments) in companies that may harm consumer and/or end-user health and safety (e.g. reputational risks from financing firms operating in sensitive sectors such as arms or gambling)	Risk	S-T	OO;
Containing costs and/or negative financial impacts related to potential customer harm incidents	Opportunities	Medium	OO;
Investing in/financing businesses that adequately manage the issue of customer security and therefore have better creditworthiness with consequent positive financial effects in the medium to long term	Opportunities	Medium	OO;

S4-1 – Policies related to consumers and end-users

The Sparkasse Banking Group considers that the protection and security of personal data, eliminating any breach of privacy, availability and integrity, are of paramount importance. Technical and organisational measures have been put in place to prevent and manage such breaches and, should they arise, to safeguard the rights and freedoms of data subjects.

With regard to the prevention of potential data breaches – a subset of cyber security incidents – the Banking Group, partly in response to the implementation of EU Regulation 2554/2022 (known as "DORA"), has adopted a new regulatory document entitled *"Regulations on the Procurement and Management of ICT Services and Systems"*, as well as the following policies: *"Policy on the use of encryption and cryptographic controls"*, *"Policy on project initiative management"* and *"Operational Demand Policy"*. The following Group Regulations *"Information system process"* and *"Information Security, Organisation, Operational Continuity"* were also revised and updated, along with the following detailed operational rules: *"Accident Management"*, *"ICT Asset Management"*, *"Management of Vulnerability and Patch Management encryption keys"*.

Proactively, and in line with the accountability principle under EU Regulation 679/2016 (GDPR), the Group has - in the broader context of the regulation of data processing and data protection - also adopted policies to manage events that could adversely affect data subjects' rights, establishing criteria to assess impact and implementing regulatory requirements (e.g. reporting incidents to the Italian Data Protection Authority and notifying the data subject in high-risk cases where his/her rights and freedoms may be compromised).

This matter is regulated within the company's data protection Policy and also by the Data Protection Rules, adopted by the CEO and General Manager of each legal entity, and also within the detailed operational rule *"Incident Management Procedure"*.

The implementation of the aforementioned rules, which apply to all employees and corporate bodies of the Group's companies, is the responsibility of the Board of Directors of the Group companies.

With a view to enhancing the protection of corporate data and customers' personal data by creating synergies between various company departments responsible for security (both physical and IT), the new Information and Physical Security Division was established in April 2025. This division envisages a dedicated Data Protection Officer Unit, which works in collaboration with the Physical Security Unit, the Cybersecurity Unit and the Occupational Safety Unit.

However, the DPO has remained a specialised compliance monitoring unit for data protection that performs the following tasks for the Parent Bank Sparkasse and its subsidiaries CiviBank and Sparim:

- to inform and provide advice to the data controller or the data processor, and also to employees in charge of data processing, about the obligations that arise from the GDPR and from other provisions of Union or domestic data protection legislation;
- to monitor compliance with the GDPR, with associated domestic legislation and with the data controller's or data processor's data protection policies and procedures, including the assignment of responsibilities to, and the awareness-raising and training of staff involved in data processing and related control activities;
- to provide, where requested, an opinion on data protection impact assessments (DPIA) and to oversee their implementation;
- to cooperate with the national Data Protection Authority and act as a point of contact with data subjects;
- to serve as the point of contact for the Italian Data Protection Authority, including prior consultation under Article 36, and to conduct consultations, where appropriate, on any other relevant issues.

The DPO carries out the tasks assigned under Regulation 679/2016 (GDPR) and under the received mandate. For ex-ante impact analysis of the measures issued by the Italian Data Protection Authority and on legislation relevant to data protection processes, the DPO relies on the Compliance Banking and Governance Service. For specialist technical/procedural IT matters for facilitating the exercise of data subjects' rights, the DPO is supported by the Security Unit, the first line of defence for data protection.

Regarding the foreign branch located in Munich, Germany, subject to German legislation, the Bank outsources the DPO service to DZ Compliance Partner.

The Group considers the physical integrity of its resources to be an inalienable value, operating with full respect for human dignity and undertaking to ensure healthy and safe working conditions in compliance with all applicable rules protecting the safety of workers. The Group implements corporate measures to prevent offences against the individual as well as offences committed in violation of the rules on accident prevention and the protection of hygiene and health at work, applicable to all employees, customers, and visitors across operational offices. For further details, refer to the preceding section 3.3 "Health and Safety."

S4-4 – 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

Preliminarily, it should be noted that throughout the year, no incident involving personal data of consumers and/or end-users was reported to the competent Authorities.

In order to prevent negative impacts or to promote positive impacts associated with information relating to consumers/end users, the Group has implemented the measures and/or initiatives outlined below.

The Group has acted by investing in technology to protect both its software and hardware tools from potential external intrusions and its corporate information assets from unauthorised internal access. Additionally, it has focused on the human factor by providing training to employees on both Data Protection and Cybersecurity, aiming to prevent and mitigate cyber risks, of which privacy risk is a subset.

The following training modules were delivered during the year:

- "Dora: let's explore ICT and cybersecurity defence safeguards together", aimed at all staff;
- "Fraud Prevention" aimed at providing specific practical examples for the Sparkasse Group, with the aim of providing useful knowledge to prevent and manage fraudulent incidents.

In addition to focusing on staff training, the Group has taken an active role in providing an educational programme specifically aimed at customers to prevent fraud and the associated harm to customers, through the section "Cybersecurity – Important rules to follow – recognising attempts at fraud", available on the corporate website. Customer awareness-raising efforts continued throughout the year, supported in part by social media channels, where short educational posts on fraud prevention and cyber threat awareness are published.

In addition, as the DPO regards training to be a security measure, the focus has concentrated on younger staff and those with less experience (new recruits and interns), with the plan being to deliver the following e-learning course, comprising three modules: "GDPR: the European Regulation 2016/679", "GDPR and security measures: data protection and IT security in the Cassa di Risparmio di Bolzano Group" and "GDPR- data breach – violation of personal data".

Throughout the year, the DPO provided ongoing advisory services, issuing opinions, analysing contracts/agreements with business partners for services/products where the company assumes the role of Data Processor or Sub-Processor (e.g. insurance intermediation or placement of financial instruments), reviewing consultancy contracts for whose performance companies require access to customer data, drafting the corresponding appointments as Data Processor, approving internal regulations that impact personal data, taking part in the review of internal regulations that define the company's Privacy Model (Data Protection Policy and related annexes, DPO Policy, and Group Data Protection Rules), and reporting any guidelines from the Italian Data Protection Authority and from the EDPB to the relevant internal functions.

In line with the accountability principle, activities related to data protection are subject to specific information flows to the Parent Bank's corporate bodies and relevant subsidiaries: the annual report and the activity plan for the following year. Additionally, the DPO is required, on an *ad hoc* basis, to: a) promptly inform the Chief Executive Officer, Board of Statutory Auditors, and Board of Directors in the event of a data breach; b) report to these bodies on the risks to data subjects' rights and freedoms arising from the incident.

The Banking Group also annually assesses compliance risk (non-compliance) related to the data protection process.

Customer awareness remains a high priority, with dissemination activities set to continue and intensify in 2026.

In 2025, the Group carried out a project to digitalise communications management documents relating to its staff, which also concerned documents on Data Protection. This innovative project not only makes documents, forms and communications addressed to employees independently accessible and easy to consult via a dedicated internal platform, but has also eliminated the need for printing (and thus the use of paper and toner) and for managing the transport of such paper documents from the network to head office, thereby reducing, albeit modestly, the emission of pollutants.

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Banking Group's overarching objectives are: 1. to protect its information assets, including personal data, preventing breaches of confidentiality, availability, or integrity that directly impact data subjects' rights and freedoms; 2. to manage any incidents in compliance with existing data protection legislation, avoiding administrative fines imposed by the Data Protection Authority and minimising risks to data subjects' rights and freedoms by adopting appropriate technical and organisational measures.

For assessing potential data breaches, the company employs specific internal metrics outlined in the operational procedure "Incident Management Procedure". Furthermore, the DPO, in the event of a suspected data breach, follows methodological guidelines (self-assessment) published on the Italian Data Protection Authority website.

To evaluate compliance risk related to the personal data protection process, methodologies from the "Compliance Model and Non-Compliance Risk Assessment" Policy are applied. These methodologies also include the use of IT procedures supported by the software Aris Risk & Compliance Manager (ARCM)-GRC, which is populated by the legal inventory of Accenture Financial Advanced Solutions & Technology.

Social Disclosures: Additional Entity-specific Disclosures

Sustainable Finance

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic “Sustainable finance”, the following table shows the impacts, risks and opportunities (“IRO”) identified by the Group. Regarding the interaction between the identified impacts, risks and opportunities with the strategy and business model, reference is made to the previous chapter 1.

Entity-specific disclosures (Sustainable finance)			
IRO Description	IRO Type	Time horizon	Coverage
Lack of or partial influence on sustainable development processes through the offer of products and/or services and ESG investment choices	Negative impact (Potential)	Short term	OO;
Contribution to customers’ decarbonisation journey towards a low-carbon economy through the offer of products and/or services and ESG investment choices	Positive impact (Potential)	Medium	OO;
Contribution to the development of social initiatives by customers through the offer of products and/or services and ESG investment choices	Positive impact (Potential)	Medium	OO;
Offer of ESG products and/or services that are not suited to customer needs that generate reputational and compliance risks (e.g. greenwashing)	Risk	S-T	OO;
Loss of market share due to uncompetitive and/or non-customer-driven ESG product offerings	Risk	S-T	OO;
Development of sustainable products and/or services with positive environmental and social impacts and consequent positive effects on the bank’s financial performance	Opportunities	Medium	OO;

MDR-P – Policies adopted to manage material sustainability matters

Sustainable finance represents a pillar of the Group’s strategy, playing a central role in promoting the ecological transition and creating a more inclusive and responsible economic system. The Group has adopted an integrated approach to support businesses and individuals in reducing environmental impact and adopting sustainable business models, through a range of financial products aligned with ESG (Environmental, Social, Governance) principles. The gradual evolution of implementing subsidised financing instruments for the green transition and integrating ESG criteria into credit granting processes are key elements of the Group’s strategy. Furthermore, the Group is progressively expanding its offering of sustainable investment products, introducing ESG instruments within its catalogue, enabling customers to allocate their financial resources to projects and companies with high standards of environmental and social responsibility.

The target is to foster a more resilient and sustainable economic system, mitigating risks arising from climate change and facilitating businesses’ access to the financial resources needed for the ecological transition; the adoption of these principles enables the Group to guarantee new growth opportunities for businesses adopting sustainable practices. Strengthening a financial culture based on ESG criteria is also a priority target for the Group, which aims to promote responsible investments through active customer engagement.

The Sparkasse Group has not adopted a specific policy in the area of sustainable finance. Nonetheless, among the main instruments adopted by the Group there is the 2025 Credit Policy (for more information please refer to the previous section E1-2), which contains guidelines for the granting and management of credit, with initial integration of climate and environmental factors into credit monitoring processes, and incentives for offering sustainability-related financing products.

In addition, the Sparkasse Group has developed its own “Green, Social and Sustainability Funding Framework”, which is the reference document for all “green, social and sustainable” funding activities by both Banks of the Sparkasse Group. This Framework contains guidelines to identify, measure and communicate the Group’s

environmental and social impacts and contribute to ensuring greater transparency, responsibility and reliability in sustainable investments and initiatives, in line with the commitments made in its Sustainability Policy.

MDR-A – Actions and resources in relation to material sustainability matters

During 2025, the Group continued with the action aimed at strengthening its commitment to sustainable finance by incorporating sustainability focus and attention as a cross-cutting pillar of the Group's Horizon 2026 strategic plan and introducing a specific area of activity to enhance ESG offering.

Financial products

In particular, for private individuals the offering of "green" loans for the purchase and/or renovation with energy redevelopment and efficiency of buildings with low environmental impact energy classes - identified by class A or B - was confirmed. Furthermore, the offer of products to promote sustainable mobility continued, financing the acquisition of vehicles with a low environmental impact.

In addition, in 2025 the Group improved the Prestito per lo Studio (Loan for Study) enhancing it with the Spark brand that distinguishes the products dedicated to young people, facilitating the formalities for access to the public guarantee of the State Fund for Youth Credit thanks to external collaboration. The loan aims to foster access to academic education for young people through flexible financing conditions, and the absence of collateral requirements, with a positive impact in terms of financial inclusion.

As far as corporate clients are concerned, to support them in their technological and energy transition development plans the Group, in addition to an advisory service for companies wishing to benefit from the national "Transition Plan 5.0", offers a series of "green" and "sustainable" loans that allow them to obtain resources to be allocated to investments linked to sustainability goals, with more favourable economic conditions, by means of minimum formalities that demonstrate the achievement of the pre-established objectives.

In detail, three specific products were developed during 2025 dedicated to businesses engaged in the sustainable transition:

- "Transition 5.0", working in conjunction with the national "5.0 Transition Plan" concession scheme;
- "Green Loan", for SMEs and other companies that choose to invest in renewable energy, electric mobility and green real estate;
- "Sustainability Certificates", for SMEs in the tourism sector that invest to obtain sustainability certification.

Also for corporate clients, subsidised financing programmes have been developed to support investments by businesses operating in low environmental impact technologies. In cooperation with the Ministry of Enterprises and Made in Italy (MIMIT), Nuova Sabatini Green funding has been made available, providing targeted incentives for the purchase of ecological capital goods, with the target of promoting energy efficiency and the adoption of more sustainable production solutions. In parallel, thanks to collaboration with the European Investment Bank (EIB), part of the Climate Action ceiling has been allocated to support companies in implementing projects for the reduction of environmental impacts. An additional instrument was the European Investment Fund (EIF), which provided Sparkasse with guarantees to finance business initiatives focused on sustainability and carbon emission reduction.

In 2025, Sparkasse also signed a Memorandum of Understanding with the Autonomous Province of Trento aimed at supporting companies that make green investments or for business growth, with dedicated loans and non-repayable grants granted by the Public Institution.

In addition, in 2025 Sparkasse launched collaboration with the Autonomous Province of Bolzano to launch a further measure dedicated to ESG projects of the companies. The initiative will be fully operational in 2026.

In 2025 the Group disbursed loans using the "Garanzia Futuro and GROWTH" agreements entered into with SACE which specifically offer the banking system with which the agreement is active 70% coverage and aim to support the development of Italian businesses of all sizes in global markets, initiatives linked to the National Recovery and

Resilience Plan (NRRP), and investments in technological innovation and digitalisation. Furthermore, concrete contributions are envisaged for strategic supply chains, for businesses operating in economically disadvantaged areas, and to support the development of female entrepreneurship.

In line with the New Green Deal and the European green taxonomy, the "SACE Green Guarantee" was also offered to corporate clients in any sector, with turnover up to EUR 500 million, who have financed their green investment projects; these companies have been able to benefit from an 80% guarantee. In particular, the target is to support the various financial needs of businesses related to projects promoting climate change mitigation and adaptation. Projects must meet specific parameters and be, for example, aimed at integrating production cycles with low-emission technologies for the production of sustainable goods and services, accelerating the transition towards sustainable and multimodal mobility, reducing and/or preventing pollution.

The Sparkasse Group has also strengthened its support for organisations with social, environmental and cultural purposes. In early 2025 the Group participated in the solidarity initiative "Social Fund – We Support Social" developed in collaboration with Promozioni servizi, Crif Group, and the Moleskine Foundation. As part of the Budget Law, which provides Third Sector Entities (TSEs) with access to the Central Guarantee Fund for SMEs until 31 December 2025, Sparkasse and CiviBank have made available to their customers – and in support of the local community – dedicated financial instruments guaranteed by the State, with coverage of up to 80% of the amount. By means of this initiative, the Group wants to strengthen the support for entities that work every day for the common good, offering them tangible tools to grow and generate a positive impact in the community.

Completion and alignment of investment product offerings

In the investment sector too, the Group has taken significant steps towards integrating sustainability into its products. The ESG protection model includes more granular suitability checks for products compliant with the EU Taxonomy and which consider Principal Adverse Impacts (PAIs), while focusing on the Product Governance system. This enables a more precise classification of investment products and their distribution based on alignment with customers' sustainability preferences, ensuring that investors can allocate capital towards opportunities that reflect their values and long-term objectives. Particular attention is devoted to strengthening CiviBank's Asset Management services, a strategic asset for the Group, aiming to provide high-value-added services aligned with emerging market trends.

With regard to 2026, the Banking Group has set itself the strategic objective of consolidating its position in the field of wealth management, positioning itself as the sole point of contact for its clients in analysing and meeting their investment, pension, insurance and inheritance needs. The convergence of the two legal entities, which was essentially completed in 2025 in terms of product portfolio, advisory model and guided architecture, now forms the robust infrastructure underpinning the Group's offering. On this basis, 2026 will see the introduction of a dedicated advisory service for Exchange Traded Funds (ETFs), the expansion of the product range to include instruments such as ELTIFs, and the full implementation of the Group's advanced CRM system – all of which are designed to further enhance the effectiveness of the advisory network and the quality of customer service.

Initiatives with an environmental and social impact in the field of Protection and Social Security

The Sparkasse Group actively promotes financial education in the field of supplementary pension schemes, particularly with regard to the involvement of minors. The involvement of minors in supplementary pension schemes allows significant amounts to be accumulated also with contained payments, thanks to the very long time horizon, strengthening the perspective of an adequate future pension income in a public system characterised by decreasing replacement rates. In this regard, Sparkasse has proactively complied with and promoted the contribution of the Trentino-Alto Adige Region to newborns, while CiviBank has supported the same contribution of the Friuli Venezia Giulia Region always oriented towards the dissemination of the financial education of minors in the field of Pension Funds. In terms of sustainability, this helps to reduce the risk of poverty in old age and to bridge the pension gaps associated with fragmented employment histories, which particularly affect younger generations and workers in atypical employment.

In Europe, only a limited proportion of economic losses resulting from extreme natural events is insured, with a protection gap that has historically left around three-quarters of total losses uninsured and which is set to widen

as a result of climate change. Where losses are not covered by insurance, the recovery of households, businesses and local communities is slower, the risk of social exclusion increases, and the pressure on public finances – which are called upon to fund emergency measures after the event – intensifies. Insurance coverage against natural disasters, particularly when designed to encourage broad participation and incorporate risk-sharing mechanisms, enables faster reconstruction, reduces the regressive burden of aid borne by the general tax system, and strengthens the social resilience of the communities most exposed to climate risks. In this regard, in 2025 the Sparkasse Group began offering insurance coverage against catastrophic risks for businesses, with the aim of protecting the tangible assets of its corporate clients.

Taken together, the early involvement of minors in supplementary pension schemes and the extension of insurance against natural disasters contribute to the construction of a social protection ecosystem that goes beyond the purely economic and financial dimension, falling within a broader scope of comprehensive structured financial advisory aimed at safeguarding clients' needs. These instruments support intergenerational equity, mitigate the risks of impoverishment linked to old age and natural disasters, reduce the volatility of household incomes over the life cycle, and bolster the capacity for social investment within public budgets. Their development represents a direct contribution to the objectives of inclusion, cohesion and resilience within communities, as well as a lever for aligning pension and insurance strategies with ESG expectations in the social sphere.

Green bond issue

In 2025 Sparkasse completed its first institutional green funding transaction through the issue of a bond. This is, in fact, the first institutional unsecured issue since the banking group's expansion in 2022, the first unsecured bond placed on the financial markets since 2011, and the Group's first "green" debt security. The EUR 100 million raised will be used to finance and/or refinance new and/or existing loans for environmental projects with the following objectives: renewable energy, pollution, the circular economy, green buildings, transport, energy efficiency and the sustainable management of natural resources. The issue of this Green Bond makes it possible to support virtuous environmental projects throughout the area and play an active role in the sustainable transition.

MDR-T – Tracking effectiveness of policies and actions through targets.

The Group's objective, as set out in the Horizon 2026 strategic plan, in the field of sustainable finance is to achieve a 50% share of new residential mortgages for energy-efficient properties by 2026. The definition of this target is included, as previously mentioned, in the Strategic Plan and thus subject to approval by the Parent Bank's Board of Directors; the target-setting process, while considering materiality analyses on sustainability matters conducted in previous years involving stakeholders generally, did not entail specific engagement with said stakeholders. It is specified that the characteristics and methodology for determining this target do not incorporate hypotheses or models, as they are deterministic measurements based on observable quantities and, therefore, not subject to estimation.

MDR-M – Metrics in relation to material sustainability matters

To assess the effectiveness of sustainable finance policies, Sparkasse utilises key performance indicators (KPIs), including:

- Number and volumes of mortgages granted to individuals and secured by properties with high energy efficiency classes;
- Number and volume of subsidised financing dedicated to ecological transition.

Digitalisation, Innovation and Quality of Supply

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topic *"Digitisation, innovation and quality of offering"*, the following table shows the impacts, risks and opportunities ("IRO") identified by the Group. Regarding the interaction between the identified impacts, risks and opportunities with the strategy and business model, reference is made to the previous chapter 1.

Entity-specific disclosures (Digitalisation, innovation and quality of offering)			
IRO Description	IRO Type	Time horizon	Coverage
Exclusion of groups potentially unable to adapt to digitisation (e.g. due to lack of technology, age, socio-economic context)	Negative impact (Potential)	Medium	OO;U-VC;
Potential consequences for employees from workplace reduction due to automation	Negative impact (Potential)	Medium	OO;U-VC;
Transformation of the distribution and production model through enhanced digitalisation, adoption of cloud solutions and widespread, effective use of data analytics and artificial intelligence to deliver improved customer service (for example in terms of user experience)	Positive impact (Actual and Potential)	S-T	OO;U-VC;
Increased customer satisfaction thanks to increased innovation and service quality	Positive impact (Potential)	S-T	OO;
Potential inability to manage innovation and digital transformation processes, with particular reference to operational, IT, compliance and reputational risks, resulting in potential financial losses	Risk	S-T	OO;U-VC;
Loss of market share due to uncompetitive and/or non-customer-driven product offerings	Risk	S-T	OO;
Leveraging new technologies and data analytics (e.g. big data, machine learning) to streamline processes with increased productivity and/or reduced costs	Opportunities	Medium	OO;U-VC;
Developing product offerings and sales strategies that genuinely reflect customer needs, in particular those of youngsters, to create sustainable long-term value.	Opportunities	Medium	OO;

MDR-P – Policies adopted to manage material sustainability matters

Innovation and digitisation are transforming the banking sector at an unprecedented speed, redefining how customers access financial services and interact with their bank. For the Group, this transformation represents not merely a technological phenomenon but a key strategic lever to enhance customer experience, broaden service accessibility and ensure increasingly inclusive, secure and sustainable offerings.

In recent years, the Group has undertaken a digital transformation journey aimed at streamlining operations, improving offer personalisation and embedding innovation within business processes. Within this context of accelerating digitisation, particular emphasis is placed on transparency, security and accessibility, ensuring all customers – regardless of technological proficiency – can access banking services simply and effectively.

The Group's innovation approach is based on a clearly defined strategy that integrates digitisation, quality of offering and sustainability. The target is to guarantee a financial ecosystem where technology and innovation serve people, making the banking experience simpler, more efficient and more accessible. The Group's commitment further extends to ensuring digital innovation does not become a driver of financial exclusion but rather enhances accessibility to banking services. To this end, the bank has developed – and continues to develop – targeted strategies for customer segments with specific needs, such as youth, start-ups, economically vulnerable individuals and less digitally-savvy demographics.

Within the Horizon 2026 Strategic Plan, the Sparkasse Group has defined a number of strategic guidelines which steer banking service innovation and digitalisation, with a particular focus on the quality of its offering, cyber security and sustainability; specifically, the measures are set out under the strategic priorities dedicated to operational efficiency, marketing efficiency and omni-channel development. These principles do not constitute formal policies but represent the reference framework for evolving digital services and enhancing customer relationships.

One of the most significant strategic developments in the Horizon 26 plan is the implementation of the new CRM system, which will further enhance customer relationship management by tailoring service offerings and increasing operational efficiency. This tool represents a significant step forward in integrating the Bank's various contact channels, ensuring a more streamlined and more targeted management of customer interactions.

MDR-A – Actions and resources in relation to material sustainability matters

Throughout 2025, the Group developed numerous initiatives to make its services increasingly digital, accessible, and innovative, with the aim of delivering a cutting-edge banking experience.

The Evolution of CRM, which saw the launch of a dedicated project in 2024, completed its implementation during 2025. The new evolved, omni-channel CRM ecosystem will advance the Group's commercial model by focusing on:

- Evolved front-end: differentiated views and functionalities based on the Service Model and user type;
- Marketing intelligence: omni-channel, event-driven, and real-time customer engagement orchestration;
- Analytics & AI: leveraging customer data (online, offline, and third-party) for hyper-personalised offerings using Analytics and AI;
- Commercial programming: enabling a new commercial approach to enhance productivity while preserving and elevating the role of the Network and its territorial presence.

During 2025, the roll-out of the Group's new CRM system was completed in two phases: the first focused on Remote Advisory, and the second on extending the functionality to the branch network. The structure's support for the implementation and dissemination of knowledge about the CRM tool across the entire network remains fundamental to ensuring the expected benefits: integration of customer information, greater personalisation of the service and the ability to propose targeted solutions thanks to advanced data analysis and the use of AI tools. These actions help to improve the quality of the offering and customer loyalty, strengthening the Group's positioning in terms of innovation and sustainability.

Within these strategies, moreover, the LDV20 business unit, dedicated to startups, adopted an approach aimed at supporting the creation of sustainable start-ups by providing know-how, tools, and networks for entrepreneurial development. LDV20 committed to fostering emerging initiatives through free training and consultancy, ensuring transparency in accessing financial services.

The wooden *Sparkasse Card/CiviBank Card* was introduced, a debit card made from FSC-certified material designed to reduce the environmental impact of payment cards production. Additionally, the Group continued to promote the "Zerocarta" version of current accounts, offering customers the option to adopt a fully paperless model. Customers opting for paper-based communications contribute through higher pricing to a dedicated fund for the Green Project, financing environmental sustainability initiatives. To involve the entire organisation, the Parent Bank engaged Group employees in selecting the environmental associations and projects to be supported. Through this initiative, organisations committed to biodiversity protection and local ecosystem preservation were identified.

One of the most notable projects was the enhancement of digital channels, with new functionalities introduced on the ON online banking platform and adjustments to improve digital accessibility: the Bank is aligning its services with the standards set by the Stanca Law, ensuring its website and mobile app are fully accessible also to persons

with disabilities. This commitment translates into the adoption of assistive tools, simplified interfaces, and intuitive navigation features. In 2025, Sparkasse and CiviBank's online channel accessibility statements were published.

In 2025 Sparkasse continued its digital transformation journey with determination, including with regard to remote financial advisory services. The digitisation of financial advisory services is part of a broader strategic plan, with the Bank committed to continuously evolving its customer relationship models, recognising that technological innovation is not only a means to improve operational efficiency but also an opportunity to bring the bank closer to its customers, ensuring increasingly personalised, accessible, and valuable service.

The process for managing remote consultations and digital appointments is now well-established and has been extended to the **CiviBank** network, ensuring that customers of both Banks within the Group enjoy a unified, flexible and accessible experience. This development meets the needs of a customer base that is increasingly turning to digital solutions, reducing waiting times and improving operational efficiency.

Finally, during 2025 the Group's corporate internet banking application was expanded to include the option of signing contracts and banking forms remotely using a qualified electronic signature (QES).

MDR-T – Tracking effectiveness of policies and actions through targets.

The Group intends to continue its digital innovation journey with a series of strategic targets aimed at improving customer experience, strengthening cybersecurity and expanding accessibility to banking services.

Key targets for 2024–2026 include:

- Continuing compliance with the Stanca Law requirements, ensuring full accessibility of digital platforms for persons with disabilities.
- Expanding digital advisory services, enhancing Sparkasse Meet by extending it to CiviBank and integrating AI tools to improve customer support.
- Promoting the adoption of the wooden Sparkasse Card, raising customer awareness on the importance of sustainability in digital payments.
- Continuing to implement the new CRM system, integrating it with digital systems to optimise customer management and enhance service personalisation.

MDR-M – Metrics in relation to material sustainability matters

To assess the impact of digitisation and innovation strategies, Sparkasse continuously monitors a series of key KPIs, including:

- Compliance level with the Stanca Law, ensuring inclusive digital accessibility.
- Number of active users on digital services and annual growth trends.
- Number of interactions managed via the Meet Service.
- Transaction volume with the wooden Sparkasse Card, measuring the adoption of sustainable payment solutions.
- Number of Zerocarta accounts activated and impact of the Project Green fund.

Part Four: Governance Information

Corporate Culture, Protection of Whistle-blowers, Corruption and Bribery

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the topics of "*business conduct: corporate culture, protection of whistleblowers, corruption and bribery*", the table below sets out the impacts, risks, and opportunities ("IRO") identified by the Group. Regarding the methods adopted to take into account the Group's customers in the assessment of impacts, risks, and opportunities and their interaction with the strategy and the business model, reference is made to the preceding chapter 1.

Main IRO - Governance			
Corporate culture - Protection of whistleblowers - Corruption and bribery			
IRO Description	IRO Type	Time horizon	Coverage
Violation of human rights and/or direct or indirect harm due to unethical conduct (e.g. the lack of adequate reporting mechanisms such as whistleblowing)	Negative impact (Potential)	Short term	OO;
Loss of trust and/or financial harm suffered due to prioritising the interests of the Group and/or specific third parties	Negative impact (Potential)	Short term	OO;
Non-ethical conduct with incidents of corruption and bribery in relations with stakeholders	Negative impact (Potential)	Short term	OO;
Awareness and dissemination of a culture of ethics and human rights in support of individuals, the community, and the environment	Positive impact (Actual and Potential)	S-T	OO;
Risks associated with the bank's potential liability arising from unethical practices, which may lead to legal action or financial penalties, reputation and/or strategic damage	Risk	S-T	OO;
Conflict of interest risk	Risk	S-T	OO;
Risks associated with the failure to comply with the provisions of Legislative Decree 231/2001	Risk	S-T	OO;
Risk of money laundering and terrorist financing	Risk	S-T	OO;
Inadequacy of the remuneration and incentive system that may lead to regulatory breaches or an excessive assumption of risks	Risk	S-T	OO;
Maintaining an excellent position and reputation with stakeholders thanks to sound business ethics and the implementation of anti-corruption measures, to mitigate legal sanctions for non-compliance and thus contribute to the wellbeing of communities	Opportunities	S-T	OO;
Legal and regulatory compliance to improve public perception of the company, reducing the risk of sanctions and having a positive influence on the share price and access to financial markets	Opportunities	S-T	OO;
Appropriate remuneration and incentive mechanisms for the Group's directors and management can foster competitiveness and good governance	Opportunities	S-T	OO;

GOV-1 – The role of the administrative, management and supervisory bodies

The Group, aware that customer trust, respect for rules and fairness in business constitute the fundamental elements for the performance of banking activities, has over the years adopted an approach that places at the centre of its business the set of activities aimed at ensuring the compliance of corporate activities with internal and external rules and codes of conduct, thus allowing fairness and consistency of behaviour to become part of the organisation's *modus operandi*.

To oversee the various regulatory areas, a procedural system has been established and implemented, whose application is verified and guaranteed through the operation of the internal control system and the synergic contribution of all functions in the company. In this context, particular attention is given to the Code of Ethics and

the Organisation, Management and Control Model adopted pursuant to Legislative Decree 231/2001, which form an integral part of the Group's prevention system, designed to ensure management oriented towards legality and transparency.

The existence of a corporate environment that is characterised by ethical integrity and a strong control culture, alongside the formalisation of procedures to ensure that corporate affairs and activities are conducted correctly – thus facilitating the achievement of targets with the utmost good faith, fair dealing and transparency – are absolutely necessary requirements to guarantee effective and efficient Group governance and informed management.

Ethical integrity contributes significantly to the effectiveness of control policies and systems and influences behaviour that might escape control systems, however sophisticated they may be.

In light of this, the Group deems it necessary to promote dissemination of the values underlying correct conduct, in order to encourage all those involved in the corporate structure to adopt them.

Regarding the role and responsibilities of the corporate bodies in matters of business conduct, the Group complies with the matters established by all supervisory provisions contained in Circular No. 285/2013 on corporate governance and the internal control system. More specifically, please note in this regard that the Board of Directors of the Parent Bank (and, similarly, the Boards of the subsidiaries, within their remit) establishes (by approving suitable internal regulations) the rules of professional conduct for staff, including through the Code of Ethics or equivalent instruments, and ensures their application by monitoring compliance by staff. The Body with strategic supervision and management functions also defines operational methods and safeguards to ensure adherence to professional conduct rules, including by specifying prohibited conduct such as, for example, the use of false or inaccurate information and the commission of financial or tax offences.

The Parent Bank's Board of Statutory Auditors (and, similarly, those of the subsidiary companies, to the extent of their remit), in its capacity as the control body, oversees compliance with legislative, regulatory and articles of association provisions, proper administration, and the adequacy of organisational and accounting structures. The control body is responsible for overseeing the functionality and effectiveness of the whole internal control system. Given the plurality of corporate functions and structures that have control responsibilities, the control body is required to ascertain the effectiveness of the action of all structures and functions involved in the controls system and to ensure their adequate coordination, promoting corrective actions for any shortcomings and irregularities found.

The Board of Statutory Auditors may rely on the company's internal control structures and functions to carry out and direct its audits and necessary verifications. To this end, it receives appropriate periodic or ad hoc information flows on specific corporate situations or trends. Furthermore, the Board of Statutory Auditors ascertains and examines the causes and remedies of managerial irregularities, operational anomalies and deficiencies or gaps in organisational and accounting frameworks. It must also promptly inform the Bank of Italy of any facts or acts that come to its knowledge which may constitute irregularities in bank management or violations of banking regulations.

Note, finally, that the Parent Bank's Board of Statutory Auditors also serves as the Supervisory Body (SB 231) and also as the "Audit and Internal Control Committee".

G1-1 – Corporate culture and business conduct policies

With regard to business conduct and the related impacts, risks and opportunities identified below, reference is made to some of the key instruments adopted by the Group, which substantively reflect the policies implemented to regulate the behaviour of all employees and collaborators across various domains, thus forming an integral part of the Group's prevention system. These instruments, approved by the Board of Directors of the Parent Bank and of the subsidiaries, designed to establish, promote, and evaluate corporate culture, are:

- Code of Ethics and Conduct;

- Organisation, Management, and Control Model under Legislative Decree no. 231 of 8 June 2001;
- Internal control system;
- Corruption Prevention Policy.

Additionally, the Group has implemented a Whistleblowing system to ensure transparency and integrity in corporate operations. The Whistleblowing system aims to prevent fraud and irregularities, reinforcing the trust of customers and stakeholders in the financial institution's integrity.

Further safeguard is provided by the Supervisory Body (whose members coincide with those of the Board of Statutory Auditors), tasked with monitoring the effectiveness of and compliance with the Organisational Model under Legislative Decree 231/2001 and assessing the Whistleblowing system's efficacy.

Code of Ethics

The Code of Ethics, most recently updated in October 2025, – a governance tool and an essential, fundamental and integral part of the "Organisation, Management and Control Model" pursuant to Italian Legislative Decree No. 231/2001 – defines the set of values and standards of conduct that guide the Sparkasse Group in achieving its business objectives, thereby creating value for shareholders whilst pursuing success in a sustainable manner, respecting people and minimising environmental impact.

The document establishes rules and principles aimed at creating a framework within which the conduct of the persons to whom it is addressed is always guided by criteria of fairness, cooperation, loyalty, transparency and mutual respect.

This document is therefore intended to serve as the "identity card" of the Group's business ethics and contains the guiding principles underpinning sustainable corporate management aimed at maintaining and developing a relationship of trust with the relevant stakeholders. More specifically, the Code provides a behavioural framework, expressing the ethical commitments and responsibilities undertaken by its recipients, while establishing specific principles of legitimacy, transparency and verifiability.

The Code of Ethics is drawn up by Cassa di Risparmio di Bolzano, in its capacity as Parent Bank, and applies to all the Group's subsidiaries, which are required to adopt and implement it. Any recipient who finds themselves in a situation not specifically described in this document must nevertheless act in accordance with the principles set out herein and, in all cases, in compliance with current legislation. The principles and contents are intended for the following broad categories of individuals: members of the corporate bodies, employees – at all levels, contractors – in any capacity, suppliers, shareholders, and other stakeholders (meaning any other relevant parties).

Respect for the individual, reliability, courtesy in dealings, innovation, and a connection with the local community are the values set out in the Group's Code of Ethics.

All Group companies have adopted the Code of Ethics approved by the Parent Bank's Board of Directors. Failure to comply with the principles set out in this Code of Ethics will result in the application of disciplinary measures in accordance with the provisions of the General Section of the "Organisation, Management and Control Model".

The Group ensures the widest possible dissemination of the Code of Ethics, including through publication on the respective websites and the company intranet, thereby making it a public reference for all recipients, in addition to providing a copy of the Code of Ethics to every shareholder as well as new Directors, Statutory Auditors, employees or external associates upon recruitment or the commencement of the working relationship.

Organisation and Management Model (Legislative Decree 231/2001)

Legislative Decree no. 231 of 8 June 2001 (hereinafter, the "Decree" or "Legislative Decree no. 231/2001") regulates the "administrative liability of legal entities and of entities without legal personality in connection with the commission of specific offences by individuals who are integrated in various ways into the entity's structure".

The entity's administrative liability arises for offences that are exhaustively listed in the Decree ("predicate" offences) and are committed for the benefit or in the interest of the entity by its senior executives or by their subordinates, in a context in which there has been a simultaneous failure to fulfil management and supervisory obligations. In this context, the entity may be held liable for an offence committed by one of its representatives if organisational fault or negligence is established, i.e. a failure to put in place the necessary safeguards to prevent such an offence from being committed in the first place. However, the Decree provides for the adoption and implementation of an organisation, management and control model, which enables the entity to be exempt from liability and, therefore, to avoid the relevant sanctions.

The Parent Bank has, accordingly, adopted the Organisation, Management, and Control Model (hereinafter the "231 Model"), comprising rules, procedures, and organisational structures aimed at preventing the commission of offences and managing associated risks.

The 231 Model identifies and defines the general principles of conduct that the Group adopts in the performance of its business, the areas of risk, the control principles and procedures, the internal regulatory sources which the parties concerned must comply with, and the specific offences that may be committed in practice or in theory. Furthermore, the 231 Model sets out the criteria governing the establishment and duties of the Supervisory Body (SB), established by the Parent Bank in 2009 in accordance with Italian Legislative Decree No. 231/2001. Since May 2015, the function of SB for Sparkasse and its subsidiary Sparim was assigned to the Parent Bank's Board of Statutory Auditors. The SB, vested with autonomy and independence in the exercise of its functions and with adequate expertise, monitors the implementation, effectiveness and compliance of the 231 Model, ensuring the periodic updating of the Model adopted by the Parent Bank and by the subsidiaries, in coordination with their own Supervisory Bodies.

For CiviBank, this function was assigned to its Board of Statutory Auditors as of April 2023. Raetia SGR in liquidation appointed a single-member SB, and currently this function is entrusted to one of the Asset Management Company's Statutory Auditors. Sparkasse Energy also appointed a single-member SB, and currently this function is entrusted to the company's sole auditor.

To ensure continuous and effective monitoring by the SB, the 231 Model regulates information flows to and from the SB. Moreover, the SB reports annually to the Board of Directors on its activities, controls, and relevant outcomes.

Non-compliance by employees with the rules and principles provided for in the 231 Model, the Code of Ethics, or in other internal regulations (integral to the 231 Model) constitutes a contractual breach. Similarly, the failure by external collaborators (self-employed workers, quasi-subordinate workers, professionals, advisors, agents, suppliers, business partners etc.) to comply with the principles and rules of conduct provided in the 231 Model and in the Code of Ethics constitutes a contractual breach and may result in contract termination. In this context, the Procurement Department ensures that contracts include a clause stating that the 231 Model has been adopted and requiring compliance with its provisions, insofar as they apply to the relationship with the supplier.

The 231 Model undergoes continuous updates to reflect regulatory changes, particularly the new "predicate offences" added in the Decree's "catalogue" of offences since its entry into force.

The 231 Model is intended to provide recipients with an optimally effective tool for mitigating entities' administrative liability risks, aligned with current best practices.

The General Part outlines the regulatory framework, the company's organisational activities and structures, the method adopted for the risk assessment activities, the rules on the composition and functioning of the SB, the whistleblowing reporting channels, the disciplinary system, training and awareness programs, and the criteria for updating and adapting the 231 Model.

The Special Part's structure mirrors the Bank's macro-activity areas. In addition, the Special Part outlines the general principles of conduct applicable to the various activities, the main phases of processes relating to individual sensitive activities, the list of internal procedures and applicable operational practices, the safeguards that ensure the traceability of documentation relating to the process, the delegated powers and other powers

conferred for carrying out the activity, and also the specific offence risks present i.e. the specific types of offence in respect of which a risk of commission is identified.

The Parent Bank has published the General Part of the 231 Model and the Code of Ethics on its website (www.sparkasse.it).

In relation, in particular, to the risk of committing the offences of bribery/corruption and extortion by a public official, the Group maintains a high level of vigilance and has, over time, adopted a specific internal policy for the prevention of these offences which all staff members are required to be aware of and comply with.

Internal control system

To ensure the achievement of its strategic and operational objectives, the Group has over time defined and updated its internal control and risk management system, which represents a key pillar of the entire Group's overall corporate system, as well as being a means through which the company promotes its corporate culture.

This system is organised to improve profitability, protect capital strength and ensure compliance with external and internal regulations and codes of conduct. In this way, transparency towards the market is promoted through the monitoring of risks assumed by the Group and, more generally, it is ensured that corporate activities optimally align with the Group's strategies and risk appetite statement.

The Parent Bank's Board of Directors is responsible for the internal control and risk management system, for which it defines guidelines and whose adequacy and effective operation it periodically ascertains, ensuring that the main risks to which the Group is exposed are correctly identified and adequately measured, managed and monitored, thereby contributing to the prevalence of corporate conduct that is aligned to the strategies and objectives defined by the Board of Directors, and to the Group's risk appetite statement.

The internal control system consists of a set of rules, procedures and organisational structures that enable the Group to achieve the following targets:

- ensuring compliance with corporate strategies and policies;
- containing risk within the limits indicated in the Group's risk appetite framework (RAF);
- preventing the risk of the Group becoming involved, even inadvertently, in unlawful activities (particularly activities related to money laundering, usury and terrorist financing);
- achieving effectiveness and efficiency in business processes;
- safeguarding the value of assets and protecting against losses;
- ensuring the reliability and security of corporate information and IT procedures;
- ensuring compliance of operations with the entire existing regulatory apparatus.

Finally, the Parent Bank's Board of Statutory Auditors carries out its own controls remotely, either directly or on the basis of information provided by the Boards of Statutory Auditors of the individual Group companies, also in its capacity as Supervisory Body (SB 231).

In compliance with applicable supervisory provisions, the Parent Bank has defined, for the Group as a whole and for its individual components, a corporate organisational system consisting of:

- organisational variables (General Management/territorial network, professional figures, delegated powers);
- individual processes required to ensure the functionality of these organisational variables.

Each process is divided into "phases" and each phase into "sub-phases" to be put in place for carrying out the phase itself. For each sub-phase, the steps to be taken for the concrete application of criteria are regulated.

This makes it possible to identify, for each legal and supervisory provision, whether currently in force or issued from time to time, the specific responsibilities attributable to the various organisational units of the Group and of its members, and to relate them to the relevant processes. The overall activities that the Group and its members are required to perform in order to achieve corporate targets, in compliance with legal and supervisory provisions – and, thus, with a view to sound and prudent management – are set out within the internal classification of processes.

The corporate organisational system is further complemented by the Regulations of Management Bodies and Committees, the General Corporate Regulations, the Policy of Management and Coordination Activities of the Parent Bank on subsidiaries, and also by the Group Corporate Governance Project Regulation.

The Parent Bank, with the aforementioned Policy:

- has outlined the regulatory and governance framework for the Group aimed at ensuring correct and regular functioning, characterised by a common entrepreneurial design, strong internal cohesion and unitary direction, in line with regulatory strictures and the requirements of sound and prudent management of the Group itself;
- has regulated Group controls, i.e. the criteria to be followed and the activities to be carried out by Sparkasse to perform the controls required by supervisory provisions on the internal control system, and demanded by the operational and managerial needs of the Group's members and of the Group as a whole.

With reference to the role of subsidiaries, these must transmit to the Parent Bank – with adequate advance notice and compulsorily in the prescribed cases – appropriate information on matters of particular strategic and/or managerial importance, and also contribute to achieving the Group's targets by adhering to the Group management and coordination model envisaged.

In line with Supervisory Provisions, Sparkasse, within the framework of Group management and coordination activities, exercises:

- strategic control over the development of the various areas of activity in which the Group operates and the risks inherent in the activities carried out;
- management control aimed at ensuring the maintenance of the conditions of economic, financial and equity balance both of the individual companies and of the group as a whole;
- technical-operational control aimed at the assessment (by second-level control functions) of the various risk profiles brought to the Group by individual subsidiaries and the Group's overall risks.

In accordance with applicable regulatory provisions, Sparkasse has adopted the "Corporate Governance Project" Group Regulation, which outlines the articles of association provisions and internal organisational arrangements of Sparkasse and its Group, while also serving as a mechanism of communication with its shareholders, investors and the market, aimed at providing detailed information on the corporate governance mechanisms governing its operation.

The proper operation of the internal control system depends on an effective interaction between the corporate bodies, those entrusted with the statutory audit of accounts, and the control functions (functions that are vested with control responsibilities under legislative or self-regulatory provisions or under the company Articles of Association): such functions include Compliance & AML, Risk Management, Internal Audit, the Board of Statutory Auditors, as well as the Supervisory Body pursuant to Legislative Decree 231/2001 (Board of Statutory Auditors).

Internal whistleblowing systems

An internal whistleblowing system is active within the Cassa di Risparmio di Bolzano Group, for the reporting of acts or facts that may infringe banking regulations, or of other unlawful acts or conduct.

The internal whistleblowing systems – governed in accordance with the relevant Supervisory Provisions of the Bank of Italy – form an integral part of the Internal Control System.

The Cassa di Risparmio di Bolzano Group has appointed the Head of the Internal Audit Department as whistleblowing manager, tasked with ensuring that the whistleblowing procedure is conducted correctly and promptly with the help of tools available to his/her department; said manager - where appropriate - is also obliged to communicate the content of whistleblowing reports directly, and in good time, to the corporate bodies. The Whistleblowing Manager is tasked with receiving, examining and evaluating reports (except reports that directly concern them or their subordinates, which must be addressed directly to the Parent Bank's Supervisory Body, established under Italian Legislative Decree No. 231 of 8 June 2001).

The Whistleblowing Manager and any other individual involved in the procedure are obliged to guarantee the confidentiality of the information received, including the identity of the whistleblower, who must in any case be adequately protected from retaliatory, discriminatory, or otherwise unfair conduct following the report.

Whistleblowing reports may be made (subject to verification of their content) by all staff employed within the Group, including all those who represent and manage the Companies of the Group, in any capacity, but also parties such as external collaborators/third parties or shareholders.

Generally speaking, reports are made in writing, preferably electronically via the **dedicated application**¹⁰, or verbally. Any internal oral reports are made by telephone or using voicemail systems or, at the request of the whistleblower, during a face-to-face meeting with the Whistleblowing Manager scheduled within a reasonable period of time. In all cases, the privacy policy will be made available to the whistleblower.

The Cassa di Risparmio di Bolzano Group has provided whistleblowers with a dedicated channel that uses IT systems to guarantee the confidentiality of the whistleblower's identity, as well as the option to submit reports anonymously. The dedicated whistleblowing application (preferred channel), introduced to facilitate comprehensive and detailed reporting and available on the corporate intranet as well as on the Banks' institutional websites, allows for confidential, encrypted reporting via a dedicated email address, and also includes the option of anonymous reporting.

Furthermore, Legislative Decree no. 24 of 10 March 2023 provides for the introduction of an external reporting channel. The Italian Anti-corruption Authority (ANAC) is the competent authority with remit for external reports, including those from the private sector. Reporting to this Authority is permissible only where one of the following conditions is met:

- the whistleblower has already made an internal report, but it has not been followed up;
- the whistleblower has reasonable grounds to believe that, if they were to make an internal report, it would not be effectively followed up, or the report could create a risk of retaliation, and to believe that the violation may constitute an imminent, or manifest, risk to the public interest.

In general, the following are valid subjects for reporting, for the purposes of these provisions: acts, conduct or events that could represent a "material" violation, such as non-compliance with the Group's Code of Ethics, and, in relation to internal provisions, violations of law and the commission of offences. It is also specified that reporting may also concern information relating to conduct aimed at concealing violations or unlawful activities not yet committed, which the whistleblower reasonably believes, or has well-founded suspicions, may occur in the presence of specific, tangible and consistent evidence.

It should also be noted that the "whistleblowing" channel may also be used to collect complaints concerning behaviour that is discriminatory or detrimental to gender equality or personal and professional dignity, in line with UNI/PdR 125:2022 (Reference Practice published by the UNI – Italian National Unification Body), which sets out guidelines for the adoption of a Gender Equality Management System within organisations. Alternatively, the Banking Group has also envisaged the possibility of making a report via the email address people@sparkasse.it.

Finally, it should be noted that whistleblowing aspects have been regulated within the Policy on "Internal systems for Whistleblowing" and the Group Regulation on "Whistleblowing".

¹⁰ EQS-Group's "EQS-Integrityline" application.

Training on business conduct falls within the broader "*Be Sustainable*" programme, which aims to promote a culture of sustainability and corporate values. Furthermore, the Group provides courses for all new recruits on the 231 Model, on the Code of Ethics and on the whistleblowing system, with final tests to assess learning levels. For further details, please refer to the previous section 3.5 "Training and Skills Development".

G1-3 – Prevention and detection of corruption and bribery

The topic of Anti-Corruption has been regulated by the "*Corruption Prevention Policy*". The first version of this policy came into force on 6/05/2022, following a resolution by the Parent Bank's Board of Directors adopted on 27/04/2022. It defines, in a coordinated way, the principal safeguards adopted by the Cassa di Risparmio di Bolzano Group in order to identify, prevent and combat corruption/bribery by key corporate officers, employees, and collaborators of the various Group companies. The Policy deals mainly with the following areas:

- relations with the Public Administration;
- gifts and sponsorships;
- the purchase of goods and services, dealings with third parties, and the acquisition of equity investments;
- accounting entries and records;
- recruitment and management of staff;
- the acquisition, management and disposal of real estate;
- dealings between private parties.

Furthermore, the following areas are regulated: the roles and responsibilities of the bodies and functions involved; procedures for disseminating the Policy and the holding of training sessions; procedures for reporting corruption/bribery; sanctions for violations.

The Policy covers the entire value chain defined by the Cassa di Risparmio di Bolzano Group, as it impacts all activities, resources and relationships linked to the Bank's and the Group's business model and the external environment in which it operates. Regarding its scope, the Policy applies across the board to all activities carried out and to all services provided by Cassa di Risparmio and by the other Group companies. The Policy, in general, is part of the system of safeguards for the prevention and management of risks adopted by the Cassa di Risparmio Group. The provisions of this Policy are, therefore, coordinated and supplemented by the principles, safeguards and controls that are defined in the Code of Ethics and the Organisation, Management, and Control Model pursuant to Legislative Decree no. 231 of 8 June 2001 (the "231 Model") of Cassa di Risparmio and of its subsidiaries, and also in all internal regulations and employment contracts that govern the regular and lawful conduct of the various activities. In any case, the commission of offences of corruption/bribery or the failure to comply with regulatory provisions for the prevention of corruption expose the Banks and the Group companies to the risk of administrative sanctions, including those arising from the commission of offences under Legislative Decree 231/2001, and makes them vulnerable to significant legal and reputational risks.

Specifically, the Policy is applicable not only to Cassa di Risparmio but also to all Group companies. Indeed, the main provisions of the Policy should be familiar to and respected by all persons who hold a position or carry out an activity within the Group, including:

- the members of bodies with strategic supervision, management, and control functions;
- those with management responsibilities, such as the heads of the various Departments, Divisions and Services;
- employees at all levels;
- external collaborators and suppliers, as well as all external parties who act in the name and on behalf or in the interest of Group companies.

All of these individuals are required to observe and, if within their remit, ensure the observance of the principles contained in the Policy. Under no circumstances can the claim to be acting in the interest of the Group companies justify the acting or conducting oneself in a manner contrary to the principles set out therein.

The Compliance Function is the highest managerial level responsible for the implementation of the Anti-Corruption policy, as it oversees the operational coordination and verification of compliance with applicable anti-corruption safeguards. Furthermore, the Compliance Function:

- carries out, in cooperation with the Supervisory Body (i.e. the Bank's body responsible for supervising the operation of and compliance with the 231 Model and its updating pursuant to Article 9 of Legislative Decree no. 231/2001. For Cassa di Risparmio, for CiviBank and for Sparim, the members are the same as the respective Boards of Statutory Auditors, for Sparkasse Energy the sole auditor performs the Supervisory Body function for the company), a special risk assessment focused on the risk of commission of corruption/bribery offences or corrupt practices, as part of the regular review of corporate risks related to the administrative liability of entities that the Supervisory Body periodically carries out;
- oversees and safeguards against the risk of corruption/bribery, proposing amendments or additions to the Policy, and also to other material internal documents and rules;
- conducts checks and controls within its remit to combat and prevent corruption/bribery;
- transmits reports or related information flows to the Supervisory Body and to the Board of Statutory Auditors, and also to the Parent Bank's Board of Directors, to the extent of their remit.

Secondly, the Internal Audit Function also plays a significant role, as it:

- carries out checks and controls on the system and operation of safeguards adopted to combat and prevent corruption/bribery;
- reports any corrective or improvement actions related to the safeguards adopted;
- transmits relevant reports or information flows to the Supervisory Body and to the Board of Statutory Auditors, to the Compliance and Anti-Money Laundering Function, and also to the Board of Directors of the Parent Bank, as applicable.

By means of this Policy, the Group not only complies with the provisions of Legislative Decree 231/2001 but also with the provisions of:

- the Italian Criminal Code, specifically Article 318 ("Bribery for the exercise of official functions"), Article 319 ("Bribery for an act contrary to official duties"), Article 319-ter ("Bribery in judicial proceedings"), Article 322 ("Incitement to bribery"), and Article 322-bis ("Embezzlement, extortion by a public official, unlawful inducement to give or promise a benefit, bribery and incitement to bribery of members of international courts or of European Union bodies or of international parliamentary assemblies or of international organisations and of officials of the European Union and of foreign States");
- the Italian Civil Code, particularly Article 2635 ("Bribery among private parties") and Article 2635-bis ("Incitement to bribery among private parties");
- Law no. 190 of 6 November 2012, "*Provisions for the prevention and suppression of corruption and illegality in the public administration*"; Law no. 3 of 9 January 2019, "*Measures to combat offences against the public administration, and measures on the statute of limitations for criminal offences and on the transparency of political parties and movements*".

The Group's commitment to preventing and combating corruption/bribery and the approach adopted are based on declarations, conventions and standards defined at an international level, including the United Nations "*Convention Against Corruption*", adopted by Resolution 58/4 of 31 October 2003.

It was decided to define the Policy as the "Corruption Prevention Policy" in view of the expansion of the Group's operations, its significant dealings with public bodies and the development of business with foreign entities, and also in order to align with industry best practices.

The Cassa di Risparmio Group ensures the widest dissemination of the Policy, including by publication on the websites of Cassa di Risparmio (in Italian, German and English) and of CiviBank (in Italian and English), and on the corporate intranet accessible to employees, where there is a specific notification of new updates. Furthermore, each new employee, director, statutory auditor or collaborator is adequately briefed on the matter upon recruitment, engagement or appointment.

Regarding the procedures for reporting any corrupt practices, the Policy stipulates that any officer, employee or collaborator of the Cassa di Risparmio Group who receives, or becomes aware of, a request for or offer of money or other benefits from any person whatever, in order to perform or omit to perform a particular function or activity, must immediately report it to their Manager. The latter, in turn, is obliged to forward the report received to the Supervisory Body, also using the dedicated e-mail address (ODV231sparkasse@sparkasse.it) and to the Head of the Compliance and Anti-Money Laundering Function for appropriate assessment. This is without prejudice to the possibility of using the whistleblowing systems put in place by the Group.

In particular, where gifts are received that surpass a predetermined economic value or where doubts exist concerning invitations to conventions, trips or similar activities, recipients are required to complete the "Form for the disclosure of gifts received" and to promptly forward it to the Head of the Compliance and Anti-Money Laundering Function.

The Compliance Function drafted, for Cassa di Risparmio, CiviBank and Sparim a specific Risk Assessment for each company, related to the risk of commission of corruption/bribery offences or corrupt practices, in which the risk areas and, for each of these, the various vulnerable or sensitive activities are outlined. The Sparkasse Energy Risk Assessment was also drawn up for the first time in 2025. For each of these, an assessment was made of the possible conduct or of the operational methods for committing offences, the overall risk was calculated, and the existing rules of conduct and safeguards were correlated. Any reference process was included and the residual risk for each sensitive activity was calculated. Additionally, the functions where the risk of corruption and bribery is higher were identified. According to the Parent Bank's 2024 Risk Assessment, the internal functions most impacted are: Board of Directors, Chief Executive Officer and General Manager; the Board of Statutory Auditors; the Commercial Banking Department, the Private & Corporate Banking Department; the Finance & Treasury Department; the Credit & NPE Department; Control Functions; the Communication Division; the Digital & Innovation Department; the Procurement Department; the Business Strategy & Development Department; the People & Transformation Department; the People Management Division; Sparim (for the activities that Sparim carries out for the Parent Bank). The internal functions most impacted at CiviBank, according to the 2024 Risk Assessment, are: Board of Directors and General Manager; the Board of Statutory Auditors; the Commercial Department; the functions of the Parent Bank, which perform outsourced operations, as already mentioned; the Leasing Unit. The company Sparim presents the following most impacted internal functions: Board of Directors and Chief Executive Officer; Manager; the Administrative Area; the Technical Area; Property Management; the People Management Division (of the Parent Bank). Finally, Sparkasse Energy identifies its Sole Director as the internal role most affected.

The Policy outlines procedures to prevent, detect and manage allegations or actual cases of corruption and bribery. Specifically, training is provided to employees and key corporate officers and, as already indicated, the Policy is published on both Banks' websites and on the corporate intranet, and there is an obligation to report any corrupt practices. Moreover, as a result of the Risk Assessment, it is possible to identify areas at risk of offences, sensitive activities, processes, and risks concerning Anti-corruption matters. Additionally, the Policy and the Risk

Assessments both guarantee that the investigating parties are not part of the management chain concerned, since the investigative activity has been allocated to the second and third-tier internal control functions.

The results of the Risk Assessment and training provided during 2025 were presented at meetings of the Supervisory Body of the Parent Bank and of CiviBank and subsequently notified to the respective Risk and Sustainability Committee of the Parent Bank and, finally, to the Board of Directors of CiviBank on 9 February 2026 and of the Parent Bank on 10 February 2026. The Risk Assessment is performed periodically.

Regarding the training course provided to employees, it is entitled "Corruption Prevention for the Cassa di Risparmio Group" and is delivered online by accessing the My Training platform via the company intranet. The course is based on the content of the Policy and has two modules: the first focuses on the general principles and safeguards adopted in the context of preventing and combating offences of corruption and bribery, while the second covers the roles and responsibilities of the various bodies, functions and organisation of the Group companies, as well as reporting and sanctions. The course concludes with a multiple-choice test.

Following the roll-out of the course to all employees between 2023 and 2024, the course has now been made available exclusively to new recruits within the Sparkasse Group. It should be noted that the course has recently been updated to bring it into line with the latest amendments to the Policy; this new version of the course, due to be released in early 2026, will be assigned to all Group employees. In any case, among the Group's new recruits in the period from 1 November 2024 to 31 October 2025, 91% have completed the Anti-corruption training. Considering that the at-risk Functions identified above cover almost all of the corporate functions overall, these percentages substantially approximate those attributable to the at-risk Functions alone.

In addition to this, on 3 December 2025, a training session was organised at the Academy's headquarters in Bolzano, involving all Heads of Department, Division, Service, Unit and Area at Cassa di Risparmio, CiviBank and Sparim. The subject of anti-corruption was included in a training package that also covered, more broadly, the governance of the 231 Model, the new Code of Ethics and whistleblowing reports. With regard to anti-corruption issues, the course covered the contents of the "Corruption prevention policy", with in-depth analysis of its objectives and sphere of application, the key safeguards of the internal control system and the latest changes introduced. 79% of all invitees attended the course. Managers who were unable to attend the training will be assigned the online course intended for all employees, as previously discussed, as soon as the new version is released.

During 2025, the corporate bodies of the Parent Bank and CiviBank were renewed, as was the Board of Statutory Auditors of Sparkasse. The newly appointed members (3 for Sparkasse and 2 for CiviBank) will receive specific training on this subject.

With regard to the reappointed members, it should be noted that they have already received adequate training in the past on the prevention and detection of corruption and bribery. In particular, during 2024, the administrative, management and supervisory bodies of CiviBank attended a dedicated training session on "Corruption risks and control systems: the choices of CiviBank and the Sparkasse Group". The main topics covered related to corruption within the Italian context. An overview was also provided of the applicable legislation and sanctions, the reputational risks for the Bank, the importance of prevention, the concept of corruption within the Cassa di Risparmio di Bolzano Group, sensitive activities and, specifically, the interconnection with money laundering and the PNRR, and the importance of reporting.

The 2026 training plan for the corporate bodies of Cassa di Risparmio and CiviBank envisages the provision of training on anti-corruption.

MDR-A – Actions and resources in relation to material sustainability matters

In general, the Group takes actions in pursuit of the targets defined in the conduct policies outlined above, which are, essentially, the continuous updating of internal procedures and related rules in the light of evolving legal and operational frameworks, training, and the actual implementation – within the relevant remit – of the prescribed controls, following which relevant improvement measures are identified.

During 2025, specific Risk Assessments were prepared for Cassa di Risparmio, CiviBank, Sparim and Sparkasse Energy, and training was provided to employees, as already extensively detailed above. Additionally, the "Corruption Prevention Policy" is accompanied by "Annex 1 – Form for the disclosure of gifts received" with reference to the paragraph on "Gifts and Sponsorships", to be completed in cases where gifts exceeding the pre-determined value are received.

Moreover, as already indicated, anti-corruption measures involve the entire value chain of the Sparkasse Group, as all relevant parties must comply with – and, where applicable, enforce – the Group's corruption prevention policy.

The Group is committed to the following future actions: reviewing and, where necessary, updating existing policies and relevant regulations; conducting anti-corruption audits and controls; updating the Risk Assessment; ongoing training.

The implementation of the specific actions listed above did not entail significant operational expenses (OpEx) or capital expenditures (CapEx).

The Group has identified the values that define it, setting them out in detail as standards of conduct that outline the best practices and approaches to be followed in day-to-day operations. These values were subsequently incorporated in 2025 into the "Code of Conduct", which was approved by the Supervisory Body as "Annex A" to the Code of Ethics.

MDR-T – Tracking effectiveness of policies and actions through targets.

For the management of material impacts, risks, and opportunities linked to business conduct and corporate culture, the Group's target primarily lies in ensuring the effective oversight of non-compliance risk, i.e. the risk of incurring judicial or administrative sanctions, significant financial losses or reputational damage due to violations of mandatory rules (legislative or regulatory provisions) or of self-regulatory provisions (e.g. articles of association, codes of conduct, self-regulatory codes) that may occur in the course of business activities. This is particularly relevant given the vulnerabilities that are inherent in the structure of the banking system, which make it a potential instrument for illicit purposes. Consequently, the Group acknowledges its specific responsibility in combating corruption, money laundering, and financial crime.

Furthermore, the Cassa di Risparmio di Bolzano Group aims to encourage the use of whistleblowing systems and to foster a culture of legality. To this end, the Group clearly, precisely and comprehensively explains its internal reporting procedure to staff, outlining the safeguards in place to protect the confidentiality of the whistleblower's and alleged perpetrator's personal data (with the express warning that European and Italian data protection regulations governing access to personal data do not apply to the whistleblower's identity, which may only be disclosed with their consent or where such information is necessary in order for the reported party to defend him/herself).

The Group has not defined specific measurable targets in relation to business conduct, although qualitative considerations are duly factored into remuneration and incentive policies.

MDR-M – Metrics in relation to material sustainability matters

The primary metric supporting the assessment of business conduct, having regard to associated impacts and risks, is the non-compliance risk assessment formulated by the Compliance Function, following its audits. This assessment of non-compliance risk is determined by combining:

- Inherent non-compliance risk, derived from the combination of exposure level and the probability of risk materialisation;

- Assessment of safeguards adopted, based on the combination of ex-ante regulatory compliance checks and ex-post compliance audits, drawing on self-assessments by individual managers of the activities within their remit, and also on direct audits by the compliance function or indirect audits by the Internal Audit function in line with the service agreement entered into.

These metrics are not subject to external validation by an entity other than the one issuing the compliance certification.

Specifically, for the assessment of corruption risks, a risk matrix was established, comprising an assessment of the level of exposure to corrupt practices, representing the overall risk associated with the activity. These assessments jointly consider:

- the incidence of the activity, as an assessment of its frequency and/or economic significance for the Bank;
- the theoretical risk of corruption, as an assessment of the theoretical potential for corrupt practices.

In assessing the residual risk associated with the activity, both the overall risk of the activity and the level of safeguards in place were taken into account.

The assessment was supplemented by consultations with consultants from a law firm with extensive expertise in this field and a thorough understanding of the Sparkasse Group, who had carried out the initial anti-corruption risk assessment and drafted the first version of the Policy.

In relation to whistleblowing issues, the Whistleblowing Manager issues the "Information Note on the Annual Report of the Whistleblowing Manager". In compliance with applicable data protection regulations, the Whistleblowing Manager provides an annual report on the proper functioning of internal reporting systems, containing aggregated information on the outcomes of activities following received reports. This report is approved by corporate bodies and made available to bank staff. The most recent information note dates back to February 2025.

Note that, given the specific nature of the subject matter, the Bank has not currently adopted quantitative metrics to assess the performance and effectiveness of IROs related to business conduct.

With specific reference to the risks of corruption and bribery, their assessment is carried out through the dedicated Risk Assessments for Cassa di Risparmio, CiviBank, Sparim and Sparkasse Energy which include the following elements:

- in particular, for Cassa di Risparmio and CiviBank, the identified risk areas are: dealings with the public administration; gifts and sponsorships; procurement of goods and services, dealings with third parties, and acquisition of equity investments; accounting entries and records; recruitment and management of staff; purchase, management and sale of real estate; relations between private parties. For Sparim and Sparkasse Energy's Risk Assessment, the risk areas were adapted to align with the provisions of the "Organisation, Management and Control Model pursuant to Legislative Decree 231/2001" adopted by each company;
- the various sensitive activities were listed for each risk area. For each of these, an assessment was made of the possible conduct or of the operational methods for committing offences, the overall risk was calculated, and the existing rules of conduct and safeguards were correlated. Where applicable, the relevant process and the most impacted internal functions were identified, and the residual risk for each sensitive activity was calculated.

Following the 2025 Risk Assessments for Cassa di Risparmio, CiviBank and Sparim, no significant issues were identified, as the level of organisational safeguards in place was assessed as High; however, for Sparkasse Energy, the level of safeguards was assessed as Medium and, consequently, a request was made to extend the relevant

internal regulations to Sparkasse Energy as well, with particular reference to those governing supplier management.

G1-4 – Incidents of corruption or bribery

During 2025, no cases of corruption and bribery were identified within the Sparkasse Group, nor were any convictions or fines imposed for violations of anti-corruption laws, in line with the previous year. Consequently, the number of confirmed cases stands at zero.

Management of Relationships with Suppliers, Including Payment Practices

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In relation to the topic of "Management of relationships with suppliers including payment practices", the following table outlines the impacts, risks and opportunities ("IRO") identified by the Group. Regarding the methods adopted to take into account the Group's customers in the assessment of impacts, risks, and opportunities and their interaction with the strategy and the business model, reference is made to the preceding chapter 1.

Management of relationships with suppliers including payment practices			
IRO Description	IRO Type	Time horizon	Coverage
Economic harm caused to suppliers with possible repercussions for the economic and social fabric of the local community (e.g. due to late payments)	Negative impact (Potential)	Short term	OO;
Contribution to the sustainable growth of commercial partners (e.g. selection based on ESG criteria, promotion of ESG initiatives), with particular attention to suppliers in the local area	Positive impact (Potential)	Medium	OO;
Legal and/or reputational and/or operational risk associated with inadequate management of relationships with suppliers, with related economic harm	Risk	S-T	OO;
Risk of outsourcing corporate operations to third-party suppliers, especially core or essential ones (e.g. operational risk, including business continuity, IT risk, reputational risk)	Risk	S-T	OO;
Prioritising the search for/replacement of suppliers thereby ensuring a high level of quality of the services purchased with positive effects on productivity	Opportunities	S-T	OO;

G1-2 – Management of relationships with suppliers

In 2025, the Sparkasse Group continued to strengthen the management of its supply chain, reaffirming its primary objective of establishing long-term relationships based on fairness, transparency, impartiality and high quality standards. Suppliers continue to be regarded as key stakeholders in the creation of sustainable value and in maintaining a responsible supply chain that is fully aligned with the Group's ethical principles.

The Group maintains a preference for local suppliers, in line with its strong regional roots, whilst also helping to reduce the environmental impacts associated with the movement of goods and staff. This choice is always accompanied by assessments on quality, price, reliability, efficiency and regulatory compliance.

To achieve the above-mentioned target, the Group defines and applies effective policies and procedures for managing supplier relations, adhering to the above-mentioned criteria and principles while ensuring traceability in procurement processes.

Furthermore, the Parent Bank has formalised these procedures within its internal regulations, submitting them for approval by the Parent Bank's Board of Directors and updating and monitoring them in line with the internal control system adopted. The internal regulations - which apply to the Group Banks - set forth the principles and responsibilities that apply in supplier and procurement management, with the following targets:

- Managing purchase requests
- Certifying that the expenditure aligns with the goods/service received
- Monitoring expenses
- Optimising the relationship between the Bank and its suppliers
- Managing supplier-related obligations
- Negotiating expenses to reduce costs while maintaining service levels
- Increasing and measuring service quality
- Ensuring objectivity, traceability and transparency when assessing and selecting suppliers

Since February 2026, the Procurement Service has been part of the Cost Optimisation Division; the Division is responsible for optimising expenditure and investments through the effective and efficient management of suppliers and supplies, as well as of request procedures from internal units, in addition to monitoring trends in the Group's administrative costs (ASA).

Furthermore, in February 2026 a provision was introduced into the Procurement Regulations concerning the assessment of suppliers in the event of their involvement in criminal investigations. This update forms part of the regulatory adjustments following the review and update of the Group's Code of Ethics, approved by the Parent Bank's Board of Directors at the end of 2025.

The Procurement Service ensures the effectiveness and proper functioning of the procurement process for the Group, following the guidelines provided in the "Procurement" Regulation. The roles and responsibilities of the various organisational units involved in the process of procuring goods and services have been defined, with a clear segregation of duties between those who manage the budget, those who establish the criteria for the selection of suppliers, those who manage the relationship with suppliers, those who verify the supply, those who authorise payment and those who make the payment.

The selection of suppliers, governed by clear and non-discriminatory procedures, is based on assessments of reliability in terms of professionalism, integrity and punctuality in fulfilling commitments. The Parent Bank verifies any potential conflicts of interest and evaluates the professional abilities and experience of suppliers' human resources, also evaluating their organisational structure and their regulatory compliance, particularly their compliance with occupational safety rules.

The Procurement Regulation envisages, in the section on the Single Supplier Register, that participation in competitive tenders requires documentation certifying the legal compliance of the company and its senior management, executives, and shareholders. Furthermore, consistently with the provisions of the Group Sustainability Regulation, a provision has been incorporated concerning ESG evaluation and weighting criteria in decisions on admission to the Single Supplier Register and their monitoring over time.

In addition, the use of the SPK Manager application is envisaged for Group structures enabling the efficient, traceable management, approval, and monitoring of procurement requests.

Digital contract signing was introduced as standard practice that permits: the streamlining the signing process, reducing the need for printing and minimising paper usage.

In 2025 the Parent Bank identified no violations of trade union rights or freedom of association among its suppliers. Purchases of goods and services are made by private negotiation, adhering to predefined terms and value thresholds, while ensuring transparency and objectivity in tenders.

The Group encourages suppliers to adhere to conduct standards consistent with the Code of Ethics, which is provided to suppliers upon engagement. The Group's supplier selection policy is not solely based on economic criteria but also considers qualitative aspects, such as suppliers' quality certifications. Conduct that contravenes the principles of the Organisational Model, the Code of Ethics or the Code of Conduct constitutes a contractual breach and is grounds for early termination of the contract.

Following the full entry into force of the DORA Regulation (Digital Operational Resilience Act, 2022/2554), the Group has embarked on a significant strengthening of its ICT supplier management processes, with the Procurement Service playing a key role in the selection, assessment and monitoring of key suppliers. A structured due diligence process has been introduced, incorporating economic and financial, reputational and organisational criteria, as well as ESG profiles, with specific attention to ethical, social and environmental aspects. ICT risk assessment has been made an integral part of the procurement process, through the prior analysis of operational, cybersecurity, service continuity, data protection and concentration risks.

The new regulatory framework has also strengthened the governance of the digital supply chain, with the introduction of dedicated roles and more stringent control flows and has envisaged the formalisation of exit strategies for key services, in order to ensure operational continuity and reduce the risk of technological dependencies. The monitoring of ICT suppliers' performance has been enhanced through structured reporting systems based on SLAs, KPIs, quality indicators and periodic audits.

The integration of DORA requirements into procurement processes helps to consolidate the Group's operational resilience, customer protection and the long-term sustainability of the digital value chain, strengthening in particular the Governance dimension of ESG principles.

In compliance with applicable provisions, the Parent Bank, aiming to promote orderly corporate management aligned with the Group's organisational model, has established an Outsourcing Management and Oversight Framework, which includes:

- the establishment of the Third Party Service, under the People & Transformation Department, tasked with supporting and coordinating the structures involved in risk analysis and monitoring of outsourced services;
- the appointment, for each Group company, of an Head of Outsourcing Risk Management and Oversight (*Responsabile della Gestione e Supervisione dei Rischi di esternalizzazione*, RGSR) responsible for the overall coordination and supervision of outsourcing contracts;
- the appointment of an Outsourced Operations Coordinator (*Referente Attività Esternalizzate*, RAE) for each outsourced function, identified for all outsourced functions, both those deemed essential or core and those that are not.

The RGSR and the RAEs, with the coordination and support of the Third-Party Service, ensure specific safeguards for the outsourcing of corporate operations, managing risks arising from outsourcing decisions while keeping control of and remaining responsible for outsourced operations, and retain the technical and management skills required to backsource them.

The decision to outsource certain corporate functions (including non-core) aligns with the corporate outsourcing policy. This policy, approved by the Parent Bank's Board of Directors, establishes:

- the decision-making process for outsourcing corporate functions (decision-making levels; involved functions; risk assessment, including those related to potential conflicts of interest of the supplier and the impact on corporate functions; operational continuity impact assessment; criteria for supplier selection and due diligence);
- the minimum content of outsourcing contracts and the expected service levels for outsourced operations;

- the procedures for ongoing monitoring of outsourced functions, with the involvement of the internal audit function;
- internal information flows, to ensure that corporate bodies and functions in charge of control have full awareness and governance over risk factors pertaining to the functions outsourced;
- business continuity plans (contractual clauses, operational plans, etc.) in case of improper performance by the supplier.

In any case, through the outsourcing of corporate functions, Group companies must not:

- delegate their responsibilities or those of corporate bodies;
- alter their relationship with or obligations towards customers;
- jeopardise their ability to comply with the requirements of prudential regulations or place themselves in a situation of breaching statutory operational restrictions;
- undermine the quality of the internal control system;
- hinder supervisory oversight.

While ensuring the proper performance of all outsourced activities by the supplier, the effective functioning of internal control system and continuous monitoring of the supplier's performance, the Bank has adopted the following additional safeguards for the outsourcing of essential or core functions:

- the written agreement between Group entities and the supplier must formalise and clearly define:
 - a. their respective rights and obligations; expected service levels, expressed in objective and measurable terms, as well as the information necessary to verify compliance; potential conflicts of interest and appropriate safeguards to prevent or mitigate them; conditions under which the agreement may be amended; the duration of the agreement and renewal terms, as well as mutual commitments in case of termination;
 - b. the service levels guaranteed in emergencies and the continuity solutions compatible with business needs and in line with the requirements of supervisory authorities. The agreement also stipulates methods of participation, directly or through user committees, in verifying supplier's business continuity plans. Termination clauses are included, allowing Group entities to terminate the outsourcing agreement if events should arise that could impair the supplier's ability to deliver the service or in case of non-compliance with agreed service levels;
- the supplier must:
 - a. have the competence, capacity and legal authorisations required to perform the outsourced functions professionally and reliably;
 - b. inform the Group entity of any event that could impair its ability to perform the outsourced functions effectively and in compliance with applicable laws, promptly reporting security incidents in particular, to enable the activation of emergency procedures;
 - c. ensure the security of information relating to the Group's activities, in terms of availability, integrity and confidentiality; including ensuring compliance with data protection regulations;
- the Group entity:
 - a. retains the necessary competence to effectively oversee the outsourced functions and to manage the risks associated with outsourcing, including those arising from potential conflicts of interest of the supplier; in this context, it designates, within its organisation, a person responsible for monitoring the individual outsourced functions, possessing adequate professional qualifications (the "outsourced operations coordinator");
 - b. obtains the supplier's business continuity plans or secures adequate information to assess the quality of the planned measures and integrate them with the continuity solutions implemented internally;

- the Parent Bank, its independent auditors and the supervisory authorities have effective access to data relating to the outsourced operations and to the premises where the supplier operates. The supervisory authority's right of access is expressly stipulated in the agreement, without additional costs for the Parent Bank;
- the sub-outsourcing (i.e. the possibility for the supplier to outsource, in turn, part of the operations covered by the outsourcing agreement) must not compromise compliance with the principles and conditions for outsourcing; accordingly, the agreement with the supplier stipulates that any sub-outsourcing arrangements must be agreed in advance with the Parent Bank and must be defined in such a way as to ensure full compliance with all the conditions listed above in relation to the primary agreement, including the possibility for the supervisory authority to access data relating to the outsourced operations and the premises where the sub-supplier operates.

MDR-A – Actions and resources in relation to material sustainability matters

The Group has embarked on a process to gradually introduce specific ESG indicators for its main suppliers.

By the end of 2025, the Group had an ESG score for 17 suppliers, derived from an initial assessment process introduced in previous years. This figure represents a starting point for the gradual extension of ESG monitoring throughout the supply chain. In the coming years, the Group plans to expand this scope by introducing both a statistical ESG indicator and a specific indicator, the latter obtained through the administration of a questionnaire to suppliers deemed most significant from a strategic and expenditure perspective.

During 2025 the Parent Bank updated the "Management of Outsourced Corporate Functions" Regulation in order to update the documentary templates used to help formalise the various phases of the process and, in particular, the assessment of the ESG risks.

In addition, the Third-Party Service defined a specific Operational Standard which governs the operational framework under which Group companies are required to organise and manage the outsourcing process, making operational the "Outsourcing" Module of the ARCM – *Aris Risk & Compliance Management* – application, which regulates the workflow for the assessment and management of an outsourced function.

The ARCM workflow ensures the preparation of a case file by preliminarily:

- verifying the regulatory prerequisites for the outsourcing of services, the feasibility of proceeding with outsourcing, and whether the outsourced services fall within the essential or core functions category
- conducting an assessment of the Supplier, particularly its organisational and governance structure, market positioning, and financial conditions
- defining an exit strategy and plan in case of financial distress, qualitative deterioration of services, or the emergence of material risks affecting the performance of the function
- conducting an analysis (carried out by second-level control functions) of the outsourcing proposal and the mapping of associated risks

The ARCM workflow comprises 5 macro-phases managed through dedicated "sheets":

1. Request: Registration and classification of the outsourcing request
2. Feasibility analysis, risk assessment: Preliminary analysis of outsourcing and Supplier due diligence
3. Agreement: Agreement preparation process, from draft agreement to approval by the competent Body;
4. Periodic monitoring: Process for monitoring outsourced operations
5. Contract renewal or termination: Evaluation process for the outsourcing which is expiring and contract renewal or termination.

Additionally, the Third-Party Service took steps, during 2025, to design and release an upgrade to the ARCM "Outsourcing" module to enable the relevant departments involved in the acquisition of ICT services under DORA

to register the documentation supporting existing ICT Services, ensuring the preliminary preparation of a case file for future cases.

MDR-T – Tracking effectiveness of policies and actions through targets.

In compliance with the supervisory provisions on outsourcing, the Group aims to identify the most effective and efficient solutions while ensuring adequate risk management and, consequently, full adherence to the principles of sound and prudent business management. With the individual outsourcers of essential or core operational functions, the Group defines, in accordance with regulatory requirements, specific agreed service levels that include, where appropriate, precise service level agreements (SLAs) to facilitate timely monitoring in order to ensure that appropriate corrective action can be taken without undue delay in the event of failure to meet the agreed service levels.

The target of the monitoring activity is to ensure constant oversight of outsourced function providers, and to promptly detect any anomalies in the performance of outsourced services or potential critical situations that could negatively impact the regular conduct of the Bank's activities.

MDR-M – Metrics in relation to material sustainability matters

The ongoing monitoring and control of outsourced operations are required under current regulations for all outsourcing agreements, following a risk-based approach and with particular regard to the outsourcing of Essential or Core Functions. To this end, based also on reports received from the outsourcer, the relevant Outsourced Operations Coordinator(s) (RAE):

- promptly identify any anomalies and deficiencies that could compromise the smooth operation of the company's activities;
- monitor the classification of the requested function (essential or core, or other), intervening if a risk situation emerges that differs from what was defined during the previous analysis;
- monitor anomaly reports collected internally;
- assess the impact of such reports on risk assessments;
- continuously verify the outsourcer's process compliance with external standards and agreed requirements;
- monitor financial conditions, periodically reviewing the outsourcer's financial statements and gathering information on any corporate changes or anomalies in cash flows;
- evaluate the need for corrective interventions and, where applicable, propose amendments to contractually agreed SLAs.

The ongoing control action to ensure that outsourced activities are performed correctly is performed at least annually. This activity is ensured by the individual RAEs with the help of specific documentation in which the results of the verifications are detailed.

The complete documentation is submitted to the Third-Party Service, which checks its completeness and accuracy before forwarding it to the RGS of each company for assessment.

If the outsourcing qualifies as an essential or core function, the competent RGS prepares a report for the Board of Directors, summarising the outcomes of all monitoring activities conducted. For high-risk NON-ESSENTIAL OR NON-CORE FUNCTIONS outsourcing, the report is prepared and submitted for approval to the CEO/GM or GM of each company. For medium or low-risk NON-ESSENTIAL OR NON-CORE FUNCTIONS outsourcing, the report is signed directly by the respective RGSs.

It should be noted that in the event of material changes and/or serious incidents concerning outsourcing agreements that could significantly undermine its operational continuity, or if an outsourced function was later classified as an essential or core operational function, a new communication must be made to the Bank of Italy.

Regarding intra-group outsourcing arrangements, this oversight activity is assured through a process of monitoring (normally quarterly) of the services covered by intra-group outsourcing agreements. This involves monitoring the actual delivery of services by reference to the terms of the service agreement, the Service Level Agreements (SLAs) guaranteed across the various services, their effectiveness, as well as identifying any corrective actions to improve service delivery.

Based on this monitoring activity, the contract supervisors of the intra-group companies (the RGSRs of each company), with the support of the Third-Party Service, draft an annual "Report on the outcome of monitoring activities" to be submitted for approval by the Boards of Directors of the respective companies. This report contains a review of any factors that may have led to a change in the risk profiles associated with the provision of services, or to an adjustment of the contractually defined pricing conditions, along with any proposed amendments or additions.

The periodic monitoring of outsourcing risks is assigned to the competent RAE primarily, in collaboration with the proposing department. However, second-level control functions are involved in an in-depth risk analysis if a change in the classification of the outsourcing (as an essential or core function) is identified.

In accordance with regulatory provisions (Bank of Italy Measure no. 166/2023 "Reporting on the outsourcing of corporate functions for supervised intermediaries"), the company is required to submit an annual report to the Bank of Italy. The Parent Bank submits the report on a consolidated basis, which covers outsourcing agreements signed by the Parent Bank and by the Italian entities of the Group, provided they are also the end users. In instances where agreements are entered into by special purpose companies, the reporting obligation applies solely in relation to outsourcing agreements for which the end users are Italian intermediaries belonging to the Group.

G1-6 – Payment practices

It should be noted, preliminarily, that payments for invoices issued to the Parent Bank and CiviBank are managed by the Supplier and Fixed Assets Accounting Unit within the "Financial Statements, Accounting and Reporting Division". Conversely, payments referring to other Group companies (and in particular Sparim) are handled by the respective companies themselves.

Invoices correctly addressed to the two Banks of the Cassa di Risparmio di Bolzano Group:

1. are mostly received in electronic format;
2. are forwarded to the Responsibility/Cost Centres (CDR) for verification of the successful delivery of services and the correct receipt of purchased goods;
3. are authorised for payment by the CDR Manager;
4. are paid in automatic weekly payment runs.

Invoices correctly addressed to Sparim:

- are mostly received in electronic format;
- are forwarded to internal departments according to their remit (Projects Department, Facility, Property, Administration) and subsequently to the Parent Bank's tax officer for additional tax review (particularly the applicable VAT treatment);
- are authorised for payment by Sparim's General Manager;
- are paid in automatic weekly payment runs or, in urgent cases, by manual bank transfers using the Cassa di Risparmio di Bolzano's 'On' application.

Invoices are paid by direct bank transfer generally on the due date, as defined in the agreement with the supplier. Depending also on the type of supply, additional payment methods may apply (e.g. SEPA Direct Debits, PagoPA, etc.). In some cases, payment is made in advance of receipt of the invoice (e.g. for accommodation, meals, course participation, or, for Sparim, advance payments for supplies and/or contractually agreed down payments for construction works).

To analyse average payment times, a selection of invoices paid in 2025 and settled via direct bank transfer (excluding advance payments or SDD) was carried out for the two Banks. Specifically, it was found that, based on the sample of invoices paid in 2025, the average time taken to pay an invoice from the date on which the payment term calculation commences (assumed to coincide with the invoice issuance date) was 42 days (in 2024 it was 44), calculated across the total number of invoices.

Under the terms of the agreements in place, most invoices typically have a due date of 30/60 days from the issuance date. The percentage of invoices paid within 60 days stands at 82.5% (in 2024 it was 80.9%).

No legal proceedings arising from payment delays have been recorded.

It should be noted that the analysis was only carried out for Group Banks (Sparkasse and CiviBank). For the other Group companies, which represent a minor portion, the same analysis could not be performed due to difficulties in retrieving the required data (lack of automated local IT infrastructure).

Independent Auditors' Report on the Sustainability Reporting

**INDEPENDENT AUDITOR'S
REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT
PURSUANT TO ARTICLE 14-BIS OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Shareholders of
Cassa di Risparmio di Bolzano S.p.A.**

Conclusion

Pursuant to artt. 8 and 18, paragraph 1 of Legislative Decree no. 125 of September 6, 2024 (hereinafter also the “Decree”), we have carried out a limited assurance engagement on the consolidated sustainability statement of the Cassa di Risparmio di Bolzano Group (hereinafter also the “Group”) for the year ended on December 31, 2025, prepared pursuant to Art. 4 of the Decree, included in the specific section of the management report.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Group for the year ended on December 31, 2025 is not prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to the Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, hereinafter also “ESRS”);
- the information included in the paragraph “*Information Pursuant to Article 8 of the Taxonomy*” of the consolidated sustainability statement is not prepared, in all material respects, in accordance with art. 8 of Regulation (EU) No. 852 of June 18, 2020 (hereinafter also the “Taxonomy Regulation”).

Basis for conclusion

We conducted the limited assurance engagement in accordance with the assurance standard of the sustainability report - “Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia)”. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained had we performed a reasonable assurance engagement.

Our responsibilities pursuant to that standard are further described in the paragraph “*Auditor’s responsibilities for the limited assurance of the consolidated sustainability statement*” of this report.

We are independent in accordance with the independence and other ethical requirements applicable under Italian law to the limited assurance engagement of the consolidated sustainability statement.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Our firm applies International Standard on Quality Management (ISQM Italia) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibility of the Directors and the Board of Statutory Auditors of Cassa di Risparmio di Bolzano S.p.A. for the consolidated sustainability statement

The Directors are responsible for developing and implementing the procedures performed to identify the information reported in the consolidated sustainability statement in accordance with the ESRS (hereinafter the “double materiality assessment process”) and for disclosing this process in the paragraph “*IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities*” of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which includes the information identified as part of the double materiality assessment process, in accordance with the requirements of Art. 4 of the Decree, including:

- compliance with ESRS;
- compliance of the information included in the paragraph “*Information Pursuant to Article 8 of the Taxonomy*” with art. 8 of the Taxonomy Regulation.

Such responsibility involves designing, implementing and maintaining, within the terms established by the law, such internal control that the Directors determine necessary to enable the preparation of the consolidated sustainability statement in accordance with the requirements of the art. 4 of the Decree that is free from material misstatements, whether due to fraud or error. Furthermore, the abovementioned responsibility involves the selection and application of appropriate methods in elaborating information and making assumptions and estimates about specific sustainability information that are reasonable in the circumstances.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

In reporting forward looking information in accordance with ESRS, the Directors are required to prepare the forward looking information on the basis of assumptions, as described in the consolidated sustainability statement, regarding events that may occur in the future and possible future actions of the Group as also indicated in the paragraph “*BP-2 - Disclosure in relation to specific circumstances*”.

Due to the inherent uncertainty regarding any future event, including whether these events will take place and their extent and timing, the variances between actual outcomes and forward looking information could be significant.

The information provided by the Group regarding Scope 3 emissions is subject to greater inherent limitations compared to those related to Scope 1 and 2 emissions. This is due to the lower availability and relative accuracy of the data used to define the information on Scope 3 emissions, both quantitative and qualitative, in relation to the value chain as indicated in the paragraph “BP-2 - Disclosure in relation to specific circumstances”.

Auditor’s responsibilities for the limited assurance of the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatements, 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, could influence the decisions of users taken on the basis of consolidated sustainability statement.

As part of the limited assurance engagement in accordance with the Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia), we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify and assess the disclosure where a material misstatement is likely to arise, either due to fraud or error;
- designing and performing procedures to verify disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement due to fraud is higher than the risk of not identifying a material misstatement due to error, as fraud may involve collusion, falsifications, intentional omissions, misrepresentations, or the override of internal control;
- the direction, supervision and performance of the limited assurance engagement of the consolidated sustainability statement. We remain solely responsible for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence as the basis for expressing our conclusion.

The procedures performed on the consolidated sustainability statement are based on our professional judgement and included inquiries, primarily with the personnel of the Group responsible for the preparation of information included in the consolidated sustainability statement, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we performed the following main procedures partly in a preliminary phase before year end and then in a final phase up to the date of issuance of this report:

- understanding the business model, the Group's strategies and the context in which the Group operates with reference to sustainability matters;

- understanding the processes underlying the generation, collection, and management of qualitative and quantitative information included in the consolidated sustainability statement, including an analysis of the reporting perimeter;
- understanding the process carried out by the Group for the identification and evaluation of material impacts, risks and opportunities, based on the principle of double materiality, with reference to sustainability matters;
- identification of the information where a risk of material misstatement is likely to arise, taking into considerations, among others, risk factors related to the generation and collection of the information, to the estimates and to the complexity of the relevant calculation methods, as well as qualitative and quantitative factors related to the nature of such information;
- design and performance of procedures, based on the professional judgment of the auditor of the consolidated sustainability report, to respond to identified risks of material misstatement: also with the support of Deloitte network specialists, in particular with reference to specific environmental information;
- understanding of the process set up by the Group to identify eligible exposures and determine their aligned nature according to the requirements of the Taxonomy Regulation, and verifying the related information included in the consolidated sustainability statement;
- comparison of the information reported in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework, or with the accounting data used for the preparation of the financial statements, or with the management data having an accounting nature;
- verification of the structure and presentation of the information included in the consolidated sustainability statement in accordance with ESRS, including the information related to the materiality assessment process;
- obtaining the representation letter.

DELOITTE & TOUCHE S.p.A.

Signed by
Enrico Gazzaniga
Partner

Milan, Italy
April 3, 2026

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Statement of Reconciliation of Consolidated Shareholders' Equity

Statement of Reconciliation of Consolidated Shareholders' Equity

Statement of reconciliation between:

- the shareholders' equity and profit for the year of the Parent Bank and
- the consolidated shareholders' equity and profit for the year.

(figures in thousands of Euro)

	Shareholders' Equity	Profit for the year
Shareholders' equity and profit for the year of the Parent Bank	1,002,181	81,359
Difference between carrying amount and pro-rata value:		
- of the carrying amount of equity investments	209,631	(3,961)
- of companies consolidated at equity	1,981	0
Gains from disposal of equity investments	0	0
Change in consolidated deferred taxes	398	0
Pro-rata result achieved by the subsidiaries	27,329	27,329
Pro-rata result achieved by the companies consolidated at equity	273	273
Elimination of the effects of transactions between Group companies:		
- Dividends of the subsidiaries collected during the year	(16,883)	(16,883)
- Dividends of companies subject to significant influence, collected during the year	0	0
- Reversal of value adjustments to consolidated equity investments	(69)	(443)
- Effect of the application of IFRS 16 to Group companies	536	(60)
- Consolidation adjustments	(140)	308
Adjustment to Group accounting standards:		
- Measurement at cost and revaluation model of the capital properties (in the subsidiary at FV)	(10,077)	(4,379)
Consolidated shareholders' equity and profit for the year	1,215,159	83,542
Shareholders' equity and profit/(loss) of minority interests	69,934	(3,961)

Consolidated Financial Statements

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET

Asset items	31/12/2025	31/12/2024
10. Cash and cash equivalents	860,258	717,255
20. Financial assets measured at fair value through profit or loss	191,191	197,618
a) financial assets held for trading	40,822	42,029
b) financial assets designated at fair value	-	-
c) other financial assets mandatorily measured at fair value	150,368	155,588
30. Financial assets measured at fair value through other comprehensive income	570,038	194,194
40. Financial assets measured at amortised cost	13,002,908	13,243,255
a) loans to banks	674,770	435,839
b) loans to customers	12,328,138	12,807,416
50. Hedging derivatives	58,679	31,218
60. Value adjustment of financial assets subject to macro-hedging (+/-)	(41,600)	3,377
70. Equity investments	10,542	10,266
90. Property, plant and equipment	422,895	414,801
100. Intangible assets	36,598	35,174
of which:		
- goodwill	214	214
110. Tax assets	152,775	138,033
a) current	67,817	46,217
b) deferred	84,957	91,817
120. Non-current assets and groups of assets classified as held for sale	(5,979)	7,098
130. Other assets	445,974	530,600
Total Assets	15,716,236	15,522,889

continued: CONSOLIDATED BALANCE SHEET

Liabilities and shareholders' equity items		31/12/2025	31/12/2024
10.	Financial liabilities measured at amortised cost	13,959,248	13,789,129
	a) due to banks	1,160,869	1,394,574
	b) due to customers	11,987,038	11,704,091
	c) securities issued	811,341	690,465
20.	Financial liabilities held for trading	147	551
30.	Financial liabilities designated at fair value	-	-
40.	Hedging derivatives	7,663	30,576
50.	Value adjustment of financial liabilities subject to macro-hedging (+/-)	-	-
60.	Tax liabilities	53,142	22,190
	a) current	39,575	9,533
	b) deferred	13,567	12,657
70.	Liabilities associated with assets classified as held for sale	444	527
80.	Other liabilities	342,922	360,330
90.	Employee severance indemnity	1,820	1,861
100.	Provisions for risks and charges	65,756	70,980
	a) commitments and guarantees issued	14,232	14,692
	b) post-employment benefit and similar obligations	33,279	36,203
	c) other provisions for risks and charges	18,246	20,084
120.	Valuation reserves	22,064	21,265
121	of which relating to discontinued operations	-	-
130.	Redeemable shares	-	-
140.	Equity instruments	44,700	45,200
150.	Reserves	463,051	398,483
155	Interim dividends	(6,033)	(6,027)
160.	Share premiums	141,892	141,390
170.	Capital	469,644	469,331
180.	Treasury shares (-)	(3,701)	(3,378)
190.	Equity attributable to minority interests (+/-)	69,934	67,370
200.	Profit (loss) for the year (+/-)	83,542	113,112
Total liabilities and shareholders' equity		15,716,236	15,522,889

CONSOLIDATED INCOME STATEMENT

Items		31/12/2025	31/12/2024
10.	Interest income and similar revenues	465,924	610,141
	of which: interest income calculated using the effective interest method	425,167	545,091
20.	Interest expense and similar charges	(180,372)	(314,092)
30.	Net interest income	285,552	296,049
40.	Fee and commission income	151,116	146,763
50.	Fee and commission expense	(29,415)	(27,743)
60.	Net fee and commission income	121,701	119,020
70.	Dividends and similar income	3,051	4,043
80.	Net profit (loss) from trading	1,713	2,575
90.	Net profit (loss) from hedging	5,609	5,651
100.	Gains (losses) on disposal or repurchase of:	1,341	780
	a) financial assets measured at amortised cost	1,294	780
	b) financial assets measured at fair value through other comprehensive income	47	1
	c) financial liabilities	(1)	(1)
110.	Net income from other financial assets and liabilities measured at fair value through profit or loss	(3,726)	1,367
	a) financial assets and liabilities designated at fair value	-	-
	b) other financial assets mandatorily measured at fair value	(3,726)	1,367
120.	Net interest and other banking income	415,243	429,486
130.	Net value adjustments/write-backs for credit risk relating to:	(8,375)	(28,942)
	a) financial assets measured at amortised cost	(8,368)	(29,054)
	b) financial assets measured at fair value through other comprehensive income	(8)	111
140.	Gains/losses from contractual amendments without cancellations	(693)	71
150.	Net income from financial management	406,175	400,615
180.	Net income from financial and insurance management	406,175	400,615
190.	Administrative expenses:	(278,171)	(277,841)
	a) staff expenses	(167,821)	(160,445)
	b) other administrative expenses	(110,350)	(117,396)
200.	Net allocations to provisions for risks and charges	1,184	6,051
	a) commitments and guarantees issued	461	5,528
	b) other net allocations	723	524
210.	Net value adjustments/write-backs to property, plant and equipment	(20,010)	(18,772)
220.	Net value adjustments/write-backs to intangible assets	(8,734)	(8,727)
230.	Other operating income/expenses	24,769	58,035
240.	Operating costs	(280,962)	(241,254)
250.	Gains (losses) on equity investments	273	108
260.	Net result from fair value measurement of property, plant and equipment and intangible assets	891	200
270.	Value adjustments to goodwill	-	-
280.	Gains (losses) from disposal of investments	173	1,031
290.	Profit (loss) from current operations before tax	126,550	160,700
300.	Income taxes for the year on current operations	(39,536)	(42,778)
310.	Profit (loss) from current operations after tax	87,014	117,922
320.	Profit (loss) from discontinued operations after tax	489	(251)
330.	Profit (loss) for the year	87,503	117,671
340.	Profit (loss) for the year attributable to minority interests	(3,961)	(4,559)
350.	Profit (loss) for the year attributable to the Parent Bank	83,542	113,112

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Items		31/12/2025	31/12/2024
10.	Profit (loss) for the year	87,503	117,671
	Other income components net of taxes without reversal to the income statement	459	(872)
20.	Equity securities designated at fair value through other comprehensive income	(177)	(1,907)
30.	Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness)	-	-
40.	Hedging of equity securities designated at fair value through other comprehensive income	-	-
50.	Property, plant and equipment	(208)	-
60.	Intangible assets	-	-
70.	Defined benefit plans	843	1,035
80.	Non-current assets and groups of assets classified as held for sale	-	-
90.	Portion of valuation reserves of equity-accounted investments	-	-
100.	Revenues or costs of a financial nature relating to insurance contracts issued	-	-
	Other income components net of taxes with reversal to the income statement	447	381
110.	Foreign investment hedges	-	-
120.	Exchange rate differences	-	-
130.	Cash flow hedges	-	-
140.	Hedging instruments (non-designated elements)	-	-
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	447	381
160.	Non-current assets and groups of assets classified as held for sale	-	-
170.	Portion of valuation reserves of equity-accounted investments	-	-
180.	Revenues or costs of a financial nature to insurance contracts issued	-	-
190.	Revenues or costs of a financial nature relating to transfers under reinsurance	-	-
200.	Total other income components net of taxes	905	(491)
210.	Comprehensive income (Item 10+200)	88,408	117,180
220.	Consolidated comprehensive income attributable to minority interests	4,066	4,336
230.	Consolidated comprehensive income attributable to the Parent Bank	84,341	112,844

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AT 31.12.2025

	Balance as at 31.12.2024	Change in opening balances	Balance as at 01.01.2025	Allocation of previous year result		Changes in the year										Group Shareholders' Equity as at 31.12.2025	Shareholders' Equity of Minority Interests as at 31.12.2025
						Reserves	Dividends and other allocations	Changes in reserves	Transactions on shareholders' equity								
				Issue of new shares	Purchase of treasury shares				Interim dividends	Extraordinary dividend distribution	Change in equity instruments	Treasury share derivatives	Stock options	Changes in equity interests			
Capital																	
- ordinary shares	485,877	X	485,877	-	X	X	314	-	X	X	X	X	X	-	X	469,644	16,547
- other shares	-	X	-	-	X	X	-	-	X	X	X	X	X	-	X	-	-
Share premiums	172,088	X	172,088	-	X	-	502	X	X	X	X	X	X	-	X	141,892	30,698
Reserves																	
- of profits	414,942	-	414,942	80,286	X	(12,675)	-	-	X	-	X	X	X	13	X	464,429	18,137
- other	(1,378)	-	(1,378)	-	X	-	-	X	X	-	X	-	-	-	X	(1,378)	-
Valuation reserves	21,751	-	21,751	X	X	-	X	X	X	X	X	X	X	-	905	22,064	592
Equity instruments	45,200	X	45,200	X	X	X	X	X	X	X	(500)	X	X	-	X	44,700	-
Interim dividends	(6,027)	-	(6,027)	6,027	X	X	X	X	(6,033)	X	X	X	X	X	X	(6,033)	-
Treasury shares	(3,378)	X	(3,378)	X	X	X	1,962	(2,285)	X	X	X	X	X	X	X	(3,701)	-
Profit (loss) for the year	117,671	-	117,671	(86,313)	(31,357)	X	X	X	X	X	X	X	X	X	87,503	83,542	3,961
Group shareholders' equity	1,179,376	-	1,179,376	-	(30,173)	(12,357)	2,777	(2,285)	(6,033)	-	(500)	-	-	13	84,341	1,215,159	X
Shareholders' equity of minority interests	67,370	-	67,370	-	(1,184)	(318)	-	-	-	-	-	-	-	-	4,066	X	69,934

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AT 31.12.2024

	Balance as at 31.12.2023	Change in opening balances	Balance as at 01.01.2024	Allocation of previous year result		Changes in reserves	Changes in the year									Comprehensive income for the year at 31.12.2024	Group Shareholders' Equity as at 31.12.2024	Shareholders' Equity of Minority Interests as at 31.12.2024
				Reserves	Dividends and other allocations		Transactions on shareholders' equity											
Capital																		
- ordinary shares	485,941	X	485,941	-	X	X	1,531	-	X	X	X	X	X	(1,595)	X	469,331	16,547	
- other shares	-	X	-	-	X	X	-	-	X	X	X	X	X	-	X	-	-	
Share premiums	183,603	X	183,603	-	X	(9,869)	1,465	X	X	X	X	X	X	(3,110)	X	141,390	30,698	
Reserves																		
- of profits	351,367	-	351,367	67,402	X	(1,536)	-	-	X	(6,998)	X	X	X	4,705	X	399,861	15,080	
- other	(1,378)	-	(1,378)	-	X	-	-	X	X	-	X	-	-	-	X	(1,378)	-	
Valuation reserves	22,242	-	22,242	X	X	-	X	X	X	X	X	X	X	-	(469)	21,265	487	
Equity instruments	45,200	X	45,200	X	X	X	X	X	X	X	-	X	X	-	X	45,200	-	
Interim dividends	-	-	-	-	X	X	X	X	(6,027)	X	X	X	X	X	X	(6,027)	-	
Treasury shares	(11,172)	X	(11,172)	X	X	X	7,794	-	X	X	X	X	X	X	X	(3,378)	-	
Profit (loss) for the year	82,212	-	82,212	(67,402)	(14,810)	X	X	X	X	X	X	X	X	X	117,671	113,112	4,559	
Group shareholders' equity	1,092,065	-	1,092,065	-	(14,168)	(12,401)	7,794	-	(6,027)	(6,998)	-	-	-	6,266	112,866	1,179,376	X	
Shareholders' equity of minority interests	65,952	-	65,952	-	(642)	996	2,995	-	-	-	-	-	-	(6,266)	4,336	X	67,370	

CASSA DI RISPARMIO DI BOLZANO GROUP 31 DECEMBER 2025

Statement of reconciliation between profit for the year and the profit contributing to the calculation of primary tier 1 capital

amounts in €

Profit for Own funds purposes

Cassa di Risparmio	Sparim	Raetia	Banca di Cividale (including PPA reversal)	SPK OBG S.r.l.	Sparkasse Energy	intercompany eliminations and consolidated adjustments	Cr Bz profit earmarked for dividends	CiviBank profit earmarked for dividends (minorities)	Profit for Own funds purposes
81,358,569	6,112,960	449,214	20,966,453	0	(199,741)	(25,418,437)	(36,600,000)	(1,024,801)	45,644,217

Consolidated profit for the period

Cassa di Risparmio	Sparim	Raetia	Banca di Cividale (including PPA reversal)	Fanes + Civitas + Dolomit	Sparkasse Energy	SPK OBG S.r.l.	intercompany eliminations and consolidated adjustments	Consolidated profit for the period
81,358,569	6,112,960	449,214	20,966,453	0	(199,741)	0	(25,145,437)	83,542,018

Reconciliation of profit for the period and profit for Own funds purposes

Consolidated profit for the period	reversal Fanes + Civitas + Dolomit	reversal Sparkasse Energy (in the Group from 12-2024)	reversal of intragroup eliminations and consolidated adjustments	Cr Bz profit earmarked for dividends	CiviBank profit earmarked for dividends (minorities)	Profit for Own funds purposes
83,542,018	0	0	(273,000)	(36,600,000)	(1,024,801)	45,644,217

Detail of intra-group eliminations and consolidated adjustments	
-443,286	Reversal of income components of Raetia SGR SpA
-16,901,020	Reversal of intercompany dividends
-4,439,614	IFRS 16 reversal and properties effect (delta depreciation + profit on disposal)
273,000	Share of profit of consolidated companies using the equity method
-3,960,563	Profit/(Loss) attributable to minority interests
326,047	Consolidation adjustments
-25,145,436	Total intercompany eliminations and consolidated adjustments

CONSOLIDATED CASH FLOW STATEMENT (Indirect method)

A. OPERATING ACTIVITIES	Amount	
	31/12/2025	31/12/2024
1. Management	82,640	138,573
- profit (loss) for the year (+/-)	83,542	113,112
- capital gains/losses on financial assets held for trading and on other assets/liabilities measured at fair value through profit or loss (-/+)	4,405	(1,962)
- capital gains/losses on hedging activities (-/+)	(5,609)	(5,651)
- net value adjustments/write-backs for credit risk (+/-)	8,375	(28,942)
- net value adjustments/write-backs to property, plant and equipment and intangible assets (+/-)	28,744	27,499
- net allocations to provisions for risks and charges and other costs/revenues (+/-)	(723)	(6,051)
- net revenues collected and costs paid for insurance contracts issued and reinsurance transfers (- / +)	-	-
- unpaid taxes, duties and tax credits (+/-)	(36,791)	37,611
- net value adjustments/write-backs to discontinued operations net of the tax effect (-/+)	(489)	251
- other adjustments (+/-)	1,186	(55,177)
2. Cash flow generated from/used in financial assets	(83,050)	1,399,229
- financial assets held for trading	887	7,158
- financial assets designated at fair value	-	-
- other financial assets mandatorily measured at fair value	1,168	(10,359)
- financial assets measured at fair value through other comprehensive income	(377,529)	120,665
- financial assets measured at amortised cost	204,254	1,193,882
- other assets	88,170	87,883
3. Cash flow generated from/used in financial liabilities	204,144	(1,722,935)
- financial liabilities measured at amortised cost	181,986	(1,644,315)
- financial liabilities held for trading	(404)	(2)
- financial liabilities designated at fair value	(727)	120
- other liabilities	23,288	(78,738)
4. Liquidity generated from/used in insurance contracts issued and reinsurance transfers	-	-
- insurance contracts issued that constitute liabilities/assets (+/-)	-	-
- transfers under reinsurance that constitute liabilities/assets (+/-)	-	-
Net cash flow generated from/used in operating activities	203,734	(185,133)
B. INVESTMENT ACTIVITIES		
1. Cash flow generated from	10,889	5,605
- sales of equity investments	-	-
- dividends collected on equity investments	2,520	5,459
- sales of property, plant and equipment	8,269	146
- sales of intangible assets	100	-
- sales of subsidiaries and business units	-	-
2. Cash flow used in	(23,165)	(36,158)
- purchases of equity investments	-	-
- purchases of property, plant and equipment	(12,948)	(21,993)
- purchases of intangible assets	(10,217)	(14,165)
- purchases of subsidiaries and business units	-	-
Net cash flow generated from/used in investment activities	(12,276)	(30,553)
C. FUNDING ACTIVITIES		
- issues/purchases of treasury shares	492	(2,075)
- issues/purchases of equity instruments	(500)	2,991
- distribution of dividends and other purposes	(48,446)	(29,367)
- sale/purchase of controlling interests of third parties	-	-
Net cash flow generated from/used in funding activities	(48,455)	(28,451)
NET CASH FLOW GENERATED FROM/USED DURING THE YEAR	143,003	(244,137)

CASH FLOW STATEMENT - Reconciliation

Financial statement items	Amount	
	31/12/2025	31/12/2024
Cash and cash equivalents at the beginning of the year	717,255	961,392
Total net cash flow generated from/used during the year	143,003	(244,137)
Cash and cash equivalents: effect of changes in exchange rates	-	-
Cash and cash equivalents at the end of the year	860,258	717,255

Notes to the Consolidated Financial Statements

Part A – Accounting Policies

Part B – Information on the Consolidated Balance Sheet

Part C – Information on the Consolidated Income Statement

Part D – Statement of Consolidated Comprehensive Income

Part E – Information on Risks and Related Hedging Policies

Part F – Information on Consolidated Shareholders' Equity

Part G – Business Combinations

Part H – Related Party Transactions

Part L – Segment Reporting

Part M – Information on Leases

Part A – Accounting Policies

A.1 – General part

Section 1 – Declaration of compliance with international accounting standards

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS, formerly IAS), issued by the International Accounting Standards Board and adopted by the European Union, and the related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The application of international accounting standards is also carried out with reference to the “Framework for the preparation and presentation of financial statements”.

Below is a list of the IAS/IFRS in force, as endorsed by the European Commission, which have been adopted for the preparation of these financial statements:

IFRS 3 Business Combinations
IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations
IFRS 7 Financial Instruments: supplementary disclosures
IFRS 8 Operating Segments
IFRS 9 Financial Instruments
IFRS 10 Consolidated Financial Statements
IFRS 11 Joint Arrangements
IFRS 12 Disclosure of equity investments in Other Entities
IFRS 13 Fair Value Measurement
IFRS 15 Revenue
IFRS 16 Leases
IAS 1 Presentation of Financial Statements
IAS 7 Statement of Cash Flows
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10 Events After the Reporting Period
IAS 12 Income Taxes
IAS 16 Property, Plant and Equipment
IAS 19 Employee Benefits
IAS 21 Effects of Changes in Foreign Exchange Rates
IAS 23 Borrowing Costs
IAS 24 Related Party Disclosures
IAS 26 Accounting and Reporting by Retirement Benefit Plans
IAS 27 Separate Financial Statements
IAS 28 Investments in Associates and Joint Ventures
IAS 32 Financial Instruments: presentation
IAS 36 Impairment of Assets
IAS 37 Provisions, Contingent Liabilities and Contingent Assets
IAS 38 Intangible Assets
IAS 39 Financial Instruments: recognition and measurement
IAS 40 Investment Property

IFRS accounting standards, amendments and interpretations applied from 1 January 2025

The following IFRS Accounting Standards, amendments and interpretations were applied for the first time by the Group starting from 1 January 2025:

- On 15 August 2023, the IASB published an amendment named "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability". The document requires an entity to identify a consistent methodology for verifying whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used and the disclosures to be made in the Notes to the financial statements. The adoption of this amendment had no impact on the Group's consolidated financial statements;

IFRS and IFRIC accounting standards, amendments and interpretations endorsed by the European Union, not yet mandatorily applicable and not adopted early by the Group at 31 December 2025

At the date of this document, the competent bodies of the European Union have completed the endorsement process necessary for the adoption of the amendments and standards described below. However, these standards are not yet mandatorily applicable and have not been adopted early by the Group as at 31 December 2025.

- On 30 May 2024, the IASB published the document "Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7". The document clarifies certain problematic aspects identified during the post-implementation review of IFRS 9, including the accounting treatment of financial instruments whose returns vary upon achievement of ESG objectives (*e.g.*, green bonds). Specifically, the amendments aim to:
 - Clarify the classification of financial instruments with variable returns linked to environmental, social and corporate governance (ESG) targets and the criteria to be used for the SPPI test assessment;
 - determine that the settlement date of liabilities settled through electronic payment systems is the date on which the liability is extinguished. However, entities are allowed to adopt an accounting policy permitting derecognition of a financial liability before delivering cash on the settlement date under certain specific conditions.

Additionally, the IASB has introduced further disclosure requirements, particularly regarding investments in equity instruments designated at FVOCI.

The amendments will apply to financial statements for periods beginning on or after 1 January 2026, however early application is permitted. The directors do not expect the adoption of this amendment to have a significant impact on the Group's consolidated financial statements.

- On 18 December 2024, the IASB published an amendment entitled "Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7". The amendment aims to support entities in reporting the financial effects of electricity purchase agreements based on renewable energy (often structured as Power Purchase Agreements). On the basis of these agreements, the amount of electricity generated and purchased can vary depending on uncontrollable factors such as weather conditions. The IASB has introduced targeted amendments to IFRS 9 and IFRS 7. The amendments include:
 - a clarification regarding the application of "own use" requirements to this type of agreement;
 - the criteria for allowing such agreements to be accounted for as hedging instruments; and
 - new disclosure requirements to enable users of financial statements to understand the effect of these agreements on an entity's financial performance and cash flows.

The amendment will apply from 1 January 2026, but early application is permitted. The directors do not expect the adoption of this amendment to have a significant impact on the Group's consolidated financial statements.

- On 18 July 2024, the IASB published a document entitled "Annual Improvements Volume 11". The document includes clarifications, simplifications, corrections and changes aimed at improving consistency across various IFRS Accounting Standards. The amended standards are:
 - IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and related guidance on the implementation of IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cash Flows.

The amendments will apply to financial statements for periods beginning on or after 1 January 2026. The directors are currently evaluating the possible effects of the introduction of this amendment on the Group's consolidated financial statements.

IFRS accounting standards, amendments and interpretations not yet endorsed by the European Union

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

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

Furthermore, the new standard:

- requires greater information on the performance indicators defined by management;
- introduces new criteria for the aggregation and disaggregation of information; and
- introduces a number of changes to the format of the cash flow statement, including the requirement to use the operating profit as the starting point for the presentation of the cash flow statement prepared under the indirect method and the elimination of certain classification options for some items that currently exist (such as interest paid, interest received, dividends paid and dividends received).

The new standard will enter into force on 1 January 2027, but earlier application is permitted. The directors are currently evaluating the possible effects of the introduction of this new standard on the Group's consolidated financial statements.

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

The new standard will enter into force on 1 January 2027, but earlier application is permitted. The directors are currently evaluating the possible effects of the introduction of this new standard on the financial statements of the subsidiaries.

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

The amendments will apply to financial statements for periods beginning on or after 1 January 2027. The directors do not expect the adoption of this amendment to have an impact on the Group's consolidated financial statements.

- On 30 January 2014, the IASB published IFRS 14 – Regulatory Deferral Accounts, which allows only first-time adopters of IFRSs to continue to recognise the amounts relating to Rate Regulation Activities in accordance with the previous accounting standards adopted. As the Company is not a first-time adopter, this standard is not applicable.

Section 2 – General preparation principles

The Consolidated Financial Statements consist of the Consolidated Balance Sheet, the Consolidated Income Statement, the Statement of Consolidated Comprehensive Income, the Statement of Changes in Consolidated Shareholders' Equity, the Consolidated Cash Flows Statement and the Notes to the Consolidated Financial Statements, which includes relevant information on the accounting standards applied and is accompanied by the Directors' Report on Operations and the Group's Situation in Compliance with the rules for preparation.

The financial statements and the content of the notes to the financial statements have been prepared in keeping with Circular No. 262 of 22 December 2005 "Bank financial statements: formats and rules for preparation" and subsequent updates, most recently the 8th update published on 17 November 2022. Specifically, this is the Circular issued by the Bank of Italy in the exercise of the powers established by the aforementioned Legislative Decree 38/2005 (hereinafter also referred to as "Circular no. 262").

The financial statements are prepared on a going concern basis, on an accrual basis, in accordance with the principle of relevance and materiality of information and substance over form.

Assets and liabilities, costs and revenues have not been offset, except in cases where this is expressly required or permitted by the accounting standards.

Pursuant to IAS 10, adjustments were made to reflect events subsequent to the reference date, if required by the international standard.

The Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income and the Consolidated Cash Flow Statement show, in addition to the amounts for the reporting year, the corresponding comparative figures at the end of the previous year.

The values are expressed, unless otherwise indicated, in thousands of euro.

The consolidated Balance Sheet and the consolidated Income Statement do not include items that do not present amounts for either the current or the previous year; similarly, tables that do not present amounts or changes in the same years are not shown in the Notes to the consolidated financial statements.

Any differences in the figures expressed in the Notes to the financial statements are due to rounding.

The joint coordination committee between the Bank of Italy, Consob and Isvap on the application of IAS/IFRS, with document no. 2 of 6 February 2009 "Information to be provided in financial reports on the going concern, financial risks, impairment testing of assets and uncertainties in the use of estimates", as well as with subsequent document

no. 4 of 4 March 2010, requested the Directors to make particularly accurate assessments on the existence of the going concern assumption.

In this regard, paragraphs 25–26 of IAS 1 state that: *"When preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, those uncertainties shall be disclosed. If the financial statements are not prepared on a going concern basis, that fact shall be disclosed, together with the criteria applied to the preparation of the financial statements and the reason why the entity is not regarded as a going concern".*

The conditions of the financial markets and of the real economy and the forecasts formulated with reference to the short/medium term require particularly accurate assessments on the existence of the going concern assumption, as the Group's history of profitability and easy access to financial resources may no longer be sufficient in the current context.

The main concerns for the near future remain heavily influenced by the continuing uncertainty stemming from the geopolitical events that characterised 2025, a situation exacerbated by the events in the Middle East during the first few months of 2026 following the joint US-Israeli military action in Iran. Although the Russian-Ukrainian conflict saw a temporary easing of hostilities during the year thanks to new diplomatic initiatives furthered by the European Union and certain emerging economies, it has not yet found a definitive solution. Tensions remain high, with episodes of instability along the borders and the risk of escalation affecting the confidence of economic operators and the performance of commodity markets.

At the same time, the situation in the Middle East has become further complicated: the fragile balance between Israel and Palestine has been severely tested by new outbreaks of violence and a peace process that is struggling to gain momentum despite the efforts of the international community. Negotiations for a permanent ceasefire continued throughout 2025 but, to date, no lasting and transparent agreement has been reached on the terms and timetable for implementation, fuelling uncertainty regarding the region's economic outlook and global trade flows. As from February 2026, joint US-Israeli military action in Iran has brought further instability to the region, with immediate repercussions on international trade and energy prices, particularly for oil.

These factors continued to put pressure on commodity prices, maintaining a high level of volatility, particularly in the energy and agricultural sectors. Although inflation showed signs of gradually normalising in 2025 compared with the peaks recorded in previous years, thanks in part to the prudent monetary policy adopted by the ECB and a gradual reduction in interest rates, risks persist regarding possible exogenous shocks arising from the geopolitical context.

In addition, the international picture has been affected by the decisions of the new US administration, which has introduced further trade tariffs and adopted a less favourable approach to the green transition. These decisions have generated uncertainty in financial markets and on global trade balances, with potential repercussions also on European economies, particularly those most exposed to exports.

In light of these challenges, the Group's management and supervisory bodies continue to closely monitor developments in the macroeconomic and geopolitical landscape, constantly assessing the going concern assumption and adopting the necessary prudential and risk management measures.

To this end, after examining the risks and uncertainties associated with the current macroeconomic context, it is deemed reasonable, also in consideration of the improvement in the equity, economic and financial indicators, which have reached levels considered satisfactory, to expect that the Bank will continue to operate in the foreseeable future and, consequently, the financial statements have been prepared on a going concern basis.

In this regard, it is specified that the Management and Control Bodies consider very carefully the prospect of the continuation of the company's activity.

To this end, after examining the risks and uncertainties associated with the current macroeconomic context, it is deemed reasonable, also in consideration of the satisfactory level of the equity, economic and financial indicators, which have reached levels considered satisfactory, to expect that the Group will continue to operate

in the foreseeable future and, consequently, the financial statements have been prepared on a going concern basis.

Section 3 – Scope and methods of consolidation

1. Equity investments in wholly-owned subsidiaries

The scope of consolidation includes the following companies:

Business name	Operational office	Registered office	Type of relationship (*)	Shareholding relationship		Availability of votes %
				Investing company	Stake %	
1. Banca di Cividale SB S.p.A.	Cividale del Friuli (UD)	Cividale del Friuli (UD)	1	CR S.p.A. Bolzano	81.11	81.11
2. Sparim S.p.A.	Bolzano	Bolzano	1	CR S.p.A. Bolzano	100.00	100.00
3. Raetia SGR S.p.A. in liquidation	Bolzano	Bolzano	1	CR S.p.A. Bolzano	100.00	100.00
4. Dolomit Real Estate Fund in liquidation	Milan	Milan	4	CR S.p.A. Bolzano	96.82	
5. SPK OBG S.r.l.	Conegliano Veneto (TV)	Conegliano Veneto (TV)	4	CR S.p.A. Bolzano	60.00	60.00
6. Fanes SPV S.r.l.	Conegliano Veneto (TV)	Conegliano Veneto (TV)	4	CR S.p.A. Bolzano	0.00	0.00
7. Civitas Spv S.r.l.	Conegliano Veneto (TV)	Conegliano Veneto (TV)	4	Banca di Cividale SB S.p.A.	0.00	0.00
8. Sparkasse Energy S.r.l. (formerly Albae S.r.l.)	Bolzano	Bolzano	1	Sparim S.p.A.	100.00	100.00

(*) Key:

1 = majority of voting rights in the ordinary shareholders' meeting;

2 = dominant influence in the ordinary shareholders' meeting;

3 = agreements with other shareholders

4 = other forms of control

5 = single management pursuant to Article 26, paragraph 1, of "Legislative Decree 87/92"

6 = single management pursuant to Article 26, paragraph 2, of "Legislative Decree 87/92"

The carrying amount of the equity investments in companies consolidated on a line-by-line basis is offset, against the assumption of the assets and liabilities of the investee, with the corresponding portion of the shareholders' equity of the companies.

The following operations are also carried out:

- derecognition of payables and receivables and intra-group costs and revenues, as well as dividends collected;
- derecognition of intra-group profits not realised with third parties.

It should be noted that the Group owns 96.82% of the shares of the Dolomit Real Estate Fund, without however holding effective voting right.

Please be advised that on 9 December 2025, the subsidiary Sparkasse Haus S.r.l., which was already in liquidation, was formally wound up and cancelled from the Companies' Register.

The accounting standard IFRS 10 requires the consolidation of a company even if there is no shareholding in the vote, but if control is exercised over the relevant activities of the same and if an entity has the power to affect its

economic results. Given this assumption, the vehicle companies of the securitisation transactions Fanes S.r.l. and Civitas S.r.l. are fully consolidated.

Also included in the scope of consolidation is the investment over which the Parent Bank exercises a significant influence, i.e. holds a stake of between 20% and 50%. This company is consolidated using the equity method.

Business name	Operational office	Registered office	Shareholding relationship	
			Investing company	Stake %
Autosystem società di servizi S.p.A.	Pordenone	Trento	CR Bolzano S.p.A.	25.00

2. Significant valuations and assumptions to determine the scope of consolidation

The scope of consolidation, as provided for by the IFRS 10, consists of the Parent Bank and the companies, even if they carry out dissimilar activities, which are in any case controlled by the Parent Bank.

As in the previous year's financial statements, it should be noted, with regard to the investment in Raetia SGR S.p.A., in liquidation (100%), that, although this is included in the scope of consolidation, following its liquidation on 27 April 2012, total assets and liabilities as well as the result of the income statement have been classified respectively under the items "Non-current assets and groups of assets held for sale", "Liabilities associated with assets held for sale" and "Gains (losses) from groups of assets held for sale" for their carrying amount after the cancellation and consolidation entries.

As of 15 November 2013, the closed-end real estate fund Dolomit in liquidation, in which the Group held 96.82% at 31 December 2025, is also included in the scope of consolidation, and for which the balance sheet and income statement have been fully consolidated on the basis of the Fund's Final Liquidation Report at 29 November 2018 (the last Report approved by the Board of Directors of the company Castello sgr). In January 2019, the asset management company proceeded with the partial redemption of the units to the subscribers of the Fund in accordance with the provisions of the distribution plan. The residual cash will be made available to investors, once the terms for the possible emergence of further liabilities have elapsed, according to the prudent and reasonable assessment of the SGR. Therefore, at 31 December 2025, the Fund is still consolidated, but the residual values are negligible.

As already specified at the end of the previous table, the special purpose entities Fanes Srl and Civitas Srl are also included in the scope of consolidation based on the provisions of IFRS 10.

3. Equity investments in wholly-owned subsidiaries with significant minority interests

With the entry as from 30 June 2022 of the subsidiary Banca di Cividale, whose minority interests represent 18.89% of the capital, the separate financial statements of the same subsidiary are reported in this section.

Banca di Cividale S.p.A.
Financial Statements
Euro

Asset items	31/12/2025	31/12/2024
10 Cash and cash equivalents	168,862,691	215,512,817
20 Financial assets measured at fair value through profit or loss	42,611,165	44,839,575
a) financial assets held for trading	352,054	360,671
b) financial assets designated at fair value	-	-
c) other financial assets mandatorily measured at fair value	42,259,111	44,478,904
30 Financial assets measured at fair value through other comprehensive income	255,168,995	59,964,749
40 Financial assets measured at amortised cost	3,880,697,661	4,086,889,709
a) loans to banks	272,960,885	256,298,391
b) loans to customers	3,607,736,776	3,830,591,318
50 Hedging derivatives	7,908,918	174,922
60 Value adjustment of financial assets subject to macro-hedging (+/-)	(6,756,683)	421,484
70 Equity investments	2,287,700	2,287,700
80 Property, plant and equipment	22,444,049	22,953,232
90 Intangible assets	7,419,671	6,943,299
of which:		
- goodwill	-	-
100 Tax assets	39,152,500	45,513,750
a) current	10,095,866	12,526,205
b) deferred	29,056,634	32,987,545
Non-current assets and groups of assets classified as held for sale	-	2,108,935
120 Other assets	133,247,584	146,990,307
Total Assets	4,553,044,250	4,634,600,477

Euro

Liabilities and shareholders' equity items	31/12/2025	31/12/2024
10 Financial liabilities measured at amortised cost	4,085,234,057	4,159,263,075
a) due to banks	834,254,173	967,253,097
b) due to customers	3,242,660,042	3,183,349,296
c) securities issued	8,319,841	8,660,682
20 Financial liabilities held for trading	-	3,760
30 Financial liabilities designated at fair value	-	-
40 Hedging derivatives	252,189	463,530
Value adjustment of financial liabilities subject to macro-hedging (+/-)	-	-
50 Tax liabilities	2,790,670	1,199,640
a) current	2,269,775	688,124
b) deferred	520,895	511,517
70 Liabilities associated with groups of assets held for sale	-	-
80 Other liabilities	90,094,237	109,032,320
90 Employee severance indemnity	1,679,682	1,701,725
100 Provisions for risks and charges:	6,673,576	7,306,148
a) commitments and guarantees issued	1,743,349	1,995,416
b) pension and similar obligations	-	-
c) other provisions for risks and charges	4,930,227	5,310,732
120 Valuation reserves	2,433,919	1,773,296
120 Redeemable shares	-	-
130 Equity instruments	-	-
140 Reserves	95,847,673	83,868,734
150 Share premiums	162,488,313	162,488,313
160 Capital	87,466,935	87,466,935
170 Treasury shares (-)	-	-
180 Profit (loss) for the year (+/-)	18,083,000	20,033,000
Total liabilities and shareholders' equity	4,553,044,250	4,634,600,477

Items	31/12/2025	31/12/2024
10 Interest income and similar revenues	128,865,451	165,726,950
of which: interest income calculated using the effective interest method		158,783,839
20 Interest expense and similar charges	(55,141,701)	(92,646,163)
30 Net interest income	73,723,750	73,080,787
40 Fee and commission income	43,061,924	41,772,640
50 Fee and commission expense	(5,352,432)	(6,080,520)
60 Net fee and commission income	37,709,492	35,692,120
70 Dividends and similar income	1,132,656	2,059,243
80 Net profit (loss) from trading	(440,792)	801,048
90 Net profit (loss) from hedging	767,170	8,229
100 Gain (loss) on disposal or repurchase of:	(973,199)	(1,106,660)
a) financial assets measured at amortised cost	(973,430)	(1,106,800)
b) financial assets measured at fair value through other comprehensive income	(0)	(220)
c) financial liabilities	231	360
110 Net income from other financial assets and liabilities measured at fair value		
through profit or loss	(3,992,574)	(1,051,676)
a) financial assets and liabilities designated at fair value	-	-
b) other financial assets mandatorily measured at fair value	(3,992,574)	(1,051,676)
120 Net interest and other banking income	107,926,502	109,483,091
130 Net value adjustments for credit risk on:	(6,530,757)	(10,119,320)
a) financial assets measured at amortised cost	(6,544,815)	(10,196,952)
b) financial assets measured at fair value through other comprehensive income	14,058	77,632
140 Gains/losses from contractual amendments without cancellations	(105,347)	(21,424)
150 Net income from financial management	101,290,398	99,342,346
160 Administrative expenses:	(80,703,090)	(82,116,091)
a) staff expenses	(39,264,448)	(37,274,725)
b) other administrative expenses	(41,438,642)	(44,841,366)
170 Net allocations to provisions for risks and charges	159,697	362,344
a) commitments and guarantees issued	252,067	1,721,142
b) other net allocations	(92,370)	(1,358,798)
180 Net value adjustments/write-backs to property, plant and equipment	(4,755,008)	(3,876,802)
190 Net value adjustments/write-backs to intangible assets	(1,827,421)	(1,523,102)
200 Other operating income/expenses	4,707,249	14,358,123
210 Operating costs	(82,418,572)	(72,795,527)
220 Gains (losses) on equity investments	-	8,795
230 Net result from fair value measurement of property, plant and equipment and intangible assets	-	(704,272)
240 Value adjustments to goodwill	-	-
250 Gains (losses) from disposal of investments	(3,209)	34,044
260 Profit (loss) from current operations before tax	18,868,617	25,885,387
270 Income taxes for the year on current operations	(785,617)	(5,852,387)
280 Profit (loss) from current operations after tax	18,083,000	20,033,000
290 Profit (loss) from discontinued operations after tax	-	-
300 Profit (loss) for the year (+/-)	18,083,000	20,033,000

4. Significant restrictions

As part of the Banks and Companies that form the scope of consolidation of the Sparkasse Group, there are no significant restrictions as required by IFRS 12 § 13.

5. Other information

The financial statements of the subsidiaries used for the preparation of these Financial Statements refer to 31 December 2025 with the exception of the Dolomit Fund in liquidation, for which the Final Liquidation Report at 29 November 2018 was used.

Section 4 - Events after the reporting date

In relation to the provisions of IAS 10, we inform you that in the period between 31 December 2025, the reference date of these financial statements, and the date of approval of the financial statements, no events occurred that would lead to a change in the figures approved at that time. The accounting estimates as at 31 December 2025 were made on the basis of the information available at that date.

For a description of events after the reporting date, please refer to the "Board of Directors' Report on Group operations".

Section 5 - Other aspects

Risks and uncertainties associated with the use of estimates

The estimation processes to support the carrying amount of the most significant valuation items recorded in the financial statements were completed, as required by the applicable accounting standards and reference regulations. These processes are based to a large extent on estimates of the future recoverability of the values recorded in the financial statements according to the rules set forth in the applicable regulations and were carried out on a going concern basis, i.e. regardless of the hypothesis of forced liquidation of the items subject to valuation.

The survey carried out confirms the carrying amounts of the items mentioned at 31 December 2025. However, it should be noted that the valuation process described is made particularly complex in consideration of the current macroeconomic and market context, characterised by levels of volatility that can be found on all the financial figures determining the valuation, and the consequent difficulty in formulating performance forecast, including in the short term, relating to the aforementioned financial parameters that significantly affect the values being estimated. The use of estimates and valuations that may have a significant impact on the values recorded in the balance sheet and in the income statement relate in particular to loans, valuation of financial assets and quantification of personnel provisions and provisions for risks and charges, use of valuation models for the recognition of the fair value of financial instruments not listed on active markets, equity investments and goodwill and the estimated recoverability of deferred tax assets.

Restatement of comparative data

With reference to the provisions of IFRS 3 par. 61, 62 and 63, as regards business combinations, it should be noted that there were no changes in the values reported in the previous year.

Change in measurement criteria

It should be noted that in 2025 the Group maintained the same measurement criteria as in the previous year.

Statutory audit

Starting from the 2019 consolidated and separate financial statements, the audit activity is carried out by the independent auditors Deloitte & Touche S.p.A., as resolved by the Shareholders' Meeting of the Parent Bank on 10 April 2018, which assigned to it the task of auditing, for the period 2019 - 2027, pursuant to Article 17, paragraph 1 of Legislative Decree No. 39 of 27 January 2010.

A.2 – Part related to the main financial statement items

The criteria for recognising, classifying, measuring, derecognising and recognising income components are illustrated below for each item in the balance sheet and, to the extent compatible, in the income statement.

1 - Financial assets measured at fair value through profit or loss

1.1 Financial assets held for trading

Recognition criteria

Financial assets held for trading are initially recognised on the settlement date at their fair value, which normally corresponds to the amount paid, with the exception of transaction costs and revenues, which are immediately recognised in the income statement even if directly attributable to said financial assets. Trading derivatives are recognised by trade date.

Classification criteria

A financial asset is classified as held for trading if it:

- is acquired mainly with a view to being sold in the short-term;
- is part of a portfolio of financial instruments that is managed jointly and for which there is a strategy aimed at achieving profits in the short term;
- is a derivative contract not designated as part of hedging transactions, including derivatives with positive fair value embedded in financial liabilities other than those measured at fair value with recognition of the income effects in the income statement.

A financial instrument or other contract that has the following three characteristics is considered a derivative:

- its value changes in relation to the change in an interest rate, the price of a financial instrument, the price of a commodity, the exchange rate in foreign currency, a price or rate index, creditworthiness (rating) or credit ratios or other pre-established variable (generally referred to as the "underlying") provided that, in the case of a non-financial variable, this is not specific to one of the contractual parties;
- does not require an initial net investment or requires a smaller initial net investment than would be required for other types of contracts from which one would expect a similar fluctuation in value in response to changes in market factors;
- is settled at a future date.

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract, with the effect that some of the cash flows of the instrument as a whole vary in a similar way to those of the stand-alone derivative.

An embedded derivative is separated from financial assets and/or liabilities other than those measured at fair value through profit or loss and from non-financial instruments, and is accounted for as a derivative, if:

- the economic characteristics and risks of the embedded derivative are not strictly related to those of the host contract;
- a separate instrument with the same conditions as the embedded derivative would meet the definition of a derivative; and
- the hybrid instrument is not measured in its entirety at fair value through profit or loss.

In cases where the embedded derivatives are separate, the primary contracts are accounted for according to the category to which they belong.

Measurement and recognition criteria for income components

After the initial recognition, the assets are measured at fair value.

To determine the fair value of debt and equity securities listed (contributed) in an active market (level 1), the market prices of the last day of the reference year are used. In the absence of an active market (level 2), estimation and valuation methods based on market data and usually accepted in financial practice are used. These include: calculations of discounted cash flows, values recognised in recent transactions, valuations of listed instruments with similar characteristics. If data is not available to carry out the valuations according to the aforementioned

methods, a fair value (level 3) measurement is carried out using non-observable data (e.g., adjusted shareholders' equity; costs, if they represent the best expression of fair value).

To determine the fair value of derivative contracts, estimation methods and valuation models (level 2) are used, such as the discounting of expected cash flows, through an internal valuation method carried out by the Risk Management Division.

Gains and losses realised both from sale or redemption, and from the change in fair value of financial assets held for trading, are recognised in the income statement item "Net profit (loss) from trading".

Commissions and interest are recognised on an accruals basis under interest.

Derecognition criteria

Financial assets are derecognised when the contractual rights on the cash flows deriving from the assets themselves expire or when the asset is sold by transferring all the risks and benefits related to it.

1.2 Financial assets designated at fair value

Classification criteria

A non-derivative financial asset can be designated at fair value if this designation makes it possible to avoid accounting mismatches deriving from the measurement of assets and associated liabilities according to different measurement criteria.

Measurement and recognition criteria for income components

The accounting treatment of these transactions is similar to that of "Financial assets held for trading". The income statement components are recognised in the item "Net income from other financial assets and liabilities measured at fair value".

Derecognition criteria

Financial assets are derecognised when the contractual rights on the cash flows deriving from the assets themselves expire or when the asset is sold by transferring all the risks and benefits related to it.

1.3 Other financial assets mandatorily measured at fair value

Classification criteria

A financial asset is classified as a financial asset mandatorily measured at fair value if it does not meet the conditions, in terms of business model or cash flow characteristics, for measurement at amortised cost or at fair value through other comprehensive income.

In particular, the following are classified in this portfolio:

- debt instruments, securities and loans whose business model is neither held to collect nor held to collect and sell, but which do not belong to the trading book;
- debt instruments, securities and loans, whose cash flows do not represent only the payment of capital and interest, namely those that do not pass the SPPI (solely payment of principal and interest) test required by IFRS 9;
- UCITS units;
- equity instruments for which the Group does not apply the option granted by the standard to measure these instruments at fair value through other comprehensive income.

Measurement and recognition criteria for income components

The accounting treatment of these transactions is similar to that of "Financial assets held for trading". The income statement components are recognised in the item "Net income from other financial assets and liabilities measured at fair value".

Derecognition criteria

Financial assets are derecognised when the contractual rights on the cash flows deriving from the assets themselves expire or when the asset is sold by transferring all the risks and benefits related to it.

2 - Financial assets measured at fair value through other comprehensive income

Recognition criteria

Financial assets measured at fair value through other comprehensive income are initially recognised on the settlement date at fair value, which normally corresponds to the transaction price including transaction costs and revenues directly attributable to the instrument itself.

Classification criteria

A financial asset is classified as a financial asset measured at fair value through other comprehensive income if:

- the objective of its business model is pursued through both the collection of contractual cash flows and the sale of financial assets ("held-to-collect and sell");
- the related cash flows represent only the payment of principal and interest.

Equity instruments for which the Group applies the option granted by the standard to measure these instruments at fair value through other comprehensive income are also classified in this category.

Measurement and recognition criteria for income components

After initial recognition, interest accrued on interest-bearing instruments is recognised in the income statement according to the amortised cost method.

Gains and losses deriving from changes in fair value are recognised in the Statement of comprehensive income and posted under item 120. "Valuation reserves".

These instruments, both in the form of debt securities and of loans and receivables, are subject to calculation of expected credit losses, or the assessment of the issuer's creditworthiness, as illustrated in the specific section "Impairment".

These impairments are recorded in the income statement with a contra-entry in the statement of comprehensive income and are also posted under item 120. Valuation reserves, as an adjustment of the fair value delta recorded therein.

In the event of disposal, the accumulated gains and losses are recognised in the income statement, with the reclassification of the cumulative valuation components previously recognised in the valuation reserve.

With regard to equity instruments, gains and losses deriving from changes in fair value are recognised in the Statement of comprehensive income and posted under item 120. Valuation reserves.

In the event of disposal of equity securities, the accumulated gains and losses are recorded under item 150. Other equity reserves.

Equity instruments are not recognised in the income statement for expected credit losses, intended as impairment in compliance with the provisions of IFRS 9.

Derecognition criteria

Financial assets measured at fair value through other comprehensive income are derecognised when the contractual rights on the cash flows deriving from the assets themselves expire or when the asset is sold by transferring all the risks and benefits related to it.

Equity OCI Option

With regard to non-trading equity instruments (basically, equity investments held, excluding majority interests), IFRS 9 envisages the possibility of classifying them at fair value through other comprehensive income (so-called FVTOCI); this is an irrevocable choice (defined as the OCI option) and in this case there is no recycling in the income statement, even in the case of sale of the instrument. Only dividends are recorded in the income statement. However, dividends are recognised as a contra-entry when they represent a repayment of the investment, rather than a return on the investment. This occurs in the event of the collection of dividends where the value of the instrument is significantly lower than the purchase cost thereof. The option can be exercised at the level of the individual financial instrument and individual purchase tranche, and can be exercised upon initial recognition of the instrument.

For Cassa di Risparmio di Bolzano, this is an option that affects minority equity investments which, pursuant to the previous accounting standard IAS 39, were classified in the AFS portfolio. The Group has moved towards adopting the option (OCI option) for all interests held with the exception of the equity investment in Satispay S.p.A. and Banca popolare di Cividale S.p.A.

3 - Financial assets measured at amortised cost:

Recognition criteria

The initial recognition of the financial asset takes place, on the settlement date, at fair value, normally coinciding with the cost, including transaction costs or income.

Classification criteria

A financial asset is classified as a financial asset measured at amortised cost if:

- the objective of its business is the possession of assets aimed at the collection of contractual cash flows ("held-to-collect");
- the related cash flows represent only the payment of principal and interest.

These items also include the net values referring to finance lease transactions of assets under construction and assets pending finance lease, whose contracts have the characteristics of "contracts with transfer of risks".

Measurement and recognition criteria for income components

After initial recognition at fair value, these assets are measured at amortised cost, which determines the recognition of interest on the basis of the effective interest rate criterion pro rata temporis over the duration of the receivable.

The carrying amount of financial assets at amortised cost is adjusted to take into account the reductions/write-backs resulting from the valuation process in accordance with paragraph 8 below "Impairment".

Derecognition criteria

Financial assets measured at amortised cost are derecognised when the contractual rights on the cash flows deriving from the assets themselves expire or when the asset is sold by transferring all the risks and benefits related to it.

With specific reference to receivables, they are derecognised when they are extinguished, sold or become impaired with the simultaneous transfer of all related risks and benefits.

4 – Financial liabilities measured at amortised cost

Recognition criteria

Initial recognition of these financial liabilities takes place when the amounts are received or the securities are issued. The recognition is made on the basis of the fair value of these liabilities, equal to the amounts collected or the issue price modified by any additional costs/income directly attributable to the individual issue.

Classification criteria

Payables and securities issued include amounts due to banks and due to customers in the various forms of funding (current accounts, loans, deposits, savings deposits, third party funds under administration, repurchase agreements in securities) and securities (certificates of deposit and bonds) issued and outstanding, net of any repurchases, not subject to operational risk hedging through the signing of derivative contracts.

Measurement and recognition criteria for income components

After initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method. Bonds, certificates of deposit and time deposits with customers classified in hedge accounting are measured at fair value with recognition of the related change in the income statement (fair value hedge). An exception is made for short-term liabilities, which are stated at the amount received. Interest is recognised on an accruals basis.

Derecognition criteria

Derecognition occurs when the liabilities are extinguished or expired, as well as when securities previously issued are repurchased; in this case, the differential between the recognition price and the repurchase price is recognised in the income statement.

Any subsequent placement on the market is considered as a new issue and is recognised at the new placement price without any effect on the income statement.

5 – Financial liabilities held for trading

Recognition criteria

Initial recognition takes place on the settlement date for debt and equity securities and on the subscription date for derivative contracts. At the time of initial recognition, liabilities are recognised at fair value, normally coinciding with the cost, without considering transaction costs or income, which are directly charged to the income statement.

Classification criteria

This item includes:

- derivative contracts, with a negative current value, held for trading purposes. This item includes derivative contracts entered into to hedge interest rate risks on assets that do not meet the requirements set for hedge accounting and have therefore been reclassified as trading derivatives;
- derivative contracts, with a negative current value, related to the application of the fair value option;
- any other financial liabilities held for trading.

Measurement and recognition criteria for income components

For financial liabilities held for trading, the same criteria apply as for "Financial assets held for trading".

Derecognition criteria

Financial liabilities are derecognised when the contractual rights on the cash flows deriving from the liabilities themselves expire or when the liability is sold by transferring all the risks and benefits related to it.

6 – Financial liabilities designated at fair value

Recognition criteria

At the time of initial recognition, liabilities are recognised at fair value, normally coinciding with the cost, without considering transaction costs or income.

Classification criteria

This category includes financial liabilities that, similarly to financial assets, may be designated as financial liabilities measured at fair value upon initial recognition, in accordance with IFRS 9, provided that:

- this designation eliminates or considerably reduces a mismatch that would otherwise result from the measurement on different bases of assets or liabilities and the relative profits and losses;
- or,
- a group of financial assets, financial liabilities or both is managed and measured at fair value according to a risk management or an investment strategy documented internally by the Company's Management Bodies.

This category may also include financial liabilities represented by hybrid (combined) instruments containing embedded derivatives that would otherwise have had to be separated.

In application of the above, this item includes bonds issued, net of repurchases, whose market risk is hedged on a management basis through derivative contracts. The current value of the latter is reclassified under assets/liabilities held for trading. As from the date of the financial statements for the year ended 31 December 2022, there are no longer any bonds recognised under the fair value option under liabilities. The remaining bonds issued are classified under "Securities issued".

Financial liabilities belonging to this category are measured at fair value initially and over the life of the transaction.

Measurement and recognition criteria for income components

Changes in fair value are recognised in the income statement with the exception of any changes in fair value deriving from changes in own creditworthiness, which are stated in item 120. "Valuation reserves" unless such recognition results in a mismatch arising from the measurement on different bases of assets or liabilities and the relative profits and losses, in which case changes in fair value arising from changes in own creditworthiness are also recognised in the income statement.

Derecognition criteria

Liabilities are derecognised when they are extinguished or when the obligation specified in the contract is fulfilled or cancelled or expired.

7 - Other issues - Purchased or originated impaired financial assets

If, upon initial recognition, a credit exposure is recorded under item 30. Financial assets measured at fair value through other comprehensive income or 40. Financial assets measured at amortised cost, is impaired, it is classified as "Purchased or Originated Credit Impaired - POCI.

The amortised cost and, consequently, the interest income generated by these assets are calculated considering, in the estimate of future cash flows, the credit losses expected over the entire residual life of the asset.

"Purchased or originated impaired financial assets" are conventionally presented at initial recognition as part of Stage 3.

If, following an improvement in the creditworthiness of the counterparty, the assets are "performing", they are classified as part of Stage 2.

These assets are never classified under Stage 1 since the expected credit loss must always be calculated considering a time horizon equal to the residual maturity.

In addition to purchased impaired assets, the Group identifies as "Purchased or originated impaired financial assets" the credit exposures originated as a result of restructuring transactions of impaired exposures that resulted in the origination of new loans that are significant, in absolute or relative terms, proportionally to the amount of the original exposure. In this regard, in order to be considered significant, the origination of new loans must amount to more than 10% of the value of the previously outstanding restructured positions. The disbursements of new loans of less than 10% of the restructured positions, but in an amount exceeding Euro 500 thousand, will also be considered as "POCI".

8 - Value adjustments ("Impairment")

General aspects

Loans and debt securities classified under financial assets at amortised cost, financial assets measured at fair value through other comprehensive income and the relevant off-balance sheet exposures are subject to the calculation of value adjustments in accordance with IFRS 9.

In this regard, these instruments are classified in stage 1, stage 2 or stage 3 depending on their absolute or relative credit quality with respect to the initial disbursement.

In particular:

Stage 1: includes (i) newly originated or acquired credit exposures, (ii) exposures that have not suffered a significant deterioration in credit risk with respect to the initial recognition date and (iii) exposures with low credit risk exemption.

Stage 2: includes credit exposures that, although not impaired, have undergone a significant deterioration in credit risk compared to the initial recognition date.

Stage 3: includes impaired credit exposures.

For exposures belonging to stage 1, total value adjustments are equal to the expected loss calculated over a time horizon of up to one year.

For exposures belonging to stages 2 or 3, total value adjustments are equal to the expected loss calculated over a time horizon equal to the entire duration of the related exposure.

In order to meet the requirements of the standard, the Group uses specific models for calculating the expected loss, which use the parameters of probability of default ("PD"), loss given default ("LGD") and exposure at the date of default ("EAD") to ensure consistency with accounting standards. Forward-looking information was also included through the development of specific scenarios.

A key aspect deriving from the accounting model introduced by IFRS 9 and required for the calculation of the expected credit loss is represented by the stage allocation model aimed at transferring the (performing) exposures between Stage 1 and Stage 2 (Stage 3 being equivalent to that of non-performing exposures).

In the Group, the Stage Allocation assessment model was based on a combination of internal and absolute elements. The main elements are:

- the comparison at the transaction level between the PD measure at the time of disbursement and the PD measure at the reporting date, both of which are quantified using internal models, using thresholds that are set to consider all key variables in each transaction that may affect the bank's expectation of changes in PD over time;

- absolute elements required by the regulations (e.g., 30 days past due) and additional internal evidence such as, for example, new classification among the forborne exposures, other elements and presence of particular anomalies (of the class "strong alerts") in the CQM (Credit Quality Management) procedure.

The criteria for determining the write-downs to be made to receivables (Stage 2) are based on the discounting of expected cash flows for principal and interest, in line with the portfolio management model, and the key elements are represented by the identification of estimated collections, the related collection dates and the discount rate to be applied.

With reference to debt securities, the Group opted for the application of the "low credit risk exemption" on investment grade securities, in full compliance with the provisions of the accounting standard.

The area of non-performing loans (Stage 3) includes the following types of problem loans:

- bad loans;
- unlikely to pay;
- past due or overrun loans.

Impairment losses on individual non-performing loans are equal to the negative difference between their recoverable amount and the corresponding amortised cost.

The recoverable amount is equal to the present value of expected cash flows for principal and interest calculated on the basis of:

1. the expected recovery value of loans, i.e., the value of contractual cash flows in terms of principal and interest net of expected losses;
2. the expected recovery time;
3. the discount rate, which is equal to the original internal rate of return.

Therefore, with reference to the different types of problem loans, the method used to determine the expected recovery value and the expected recovery time is as follows:

- **bad loans:**

Bad loans represent exposures to insolvent (or substantially similar) parties that the Parent Bank has placed in default and for which the contractual payment terms have therefore expired and forced recovery has been initiated.

As a general rule, therefore, the expected recovery value of bad loans must be calculated analytically, also taking into account the recovery rates that have historically occurred on similar risk positions.

The determination of the expected recovery value of bad loans is differentiated according to whether the exposure is secured or unsecured, in which case it is necessary to consider whether it is "collateral" or "personal".

When the customer is classified under "bad loans", the expected recovery value takes into account the value previously identified among the positions "unlikely to pay".

As part of the semi-annual review of the adequacy of analytical provisioning for positions classified as bad loans and taking into account:

- the actual collections, including partial;
- the presence of credit preservation acts after the opening of the bad loan (e.g., registration of a judicial mortgage on a large property);
- indications of a further reduction in the value of the collateral based on updated estimates and more generally the overall picture of the position (initiation of procedures, unsuccessful auctions, etc.).

Any upward adjustments or write-backs will be recorded, in particular for those positions that have benefited from significant collections. Significant collections are generally defined at least 10% of the outstanding debt with a minimum amount of Euro 150,000 on positions with residual pre-redemption exposures exceeding Euro 500,000

If the full recovery of the capital portion recognised as bad loan is doubtful, the positions are usually rendered non-interest bearing.

If there is evidence, also on the basis of legal assessments, of the current and future non-recoverability of all or part of the principal of the position (e.g. non-liability in the event of proceedings, evidence of non-recoverable impairment of the guarantees supporting the position, closure of bankruptcy proceedings, ascertained inability to act further on other sources of recovery, etc.), it will be possible to evaluate the transfer to a loss, even partial, of the position by adequately justifying the request.

Even in the case of resolutions accepting "balance and write-off" offers of the positions according to the provisions of the Credit Process, the residual principal part not satisfied will be classified as a loss.

- **unlikely to pay:**

unlikely to pay loans represent those credit relationships which, despite the temporary payment difficulties of their debtors, are still in full operation and for which the original contractual terms (or those possibly renegotiated with the counterparties) remain in force. For these exposures, therefore, the estimate of the expected recovery value can only be made taking into account the contractual cash flows net of the related expected loss and the changed recovery time forecasts, therefore assuming a return to normality of these exposures once the payment difficulties by debtors are overcome. As for bad loans, the expected recovery value of unlikely to pay loans must be calculated analytically, also taking into account the recovery rates that have historically occurred on similar risk positions. The determination of the expected recovery value of unlikely to pay loans is differentiated according to whether the exposure is secured or unsecured, in which case it is necessary to consider whether it is "collateral" or "personal".

- **past due or overrun loans:**

this category includes loans past due or overrun by more than 90 days calculated according to the current rules established by the Bank of Italy. The estimate of the expected recovery value of past due and/or overdue non-performing loans takes place in the "forfeit" form. The loss forecast is determined by applying a percentage of the average write-down of bad and unlikely to pay loans to the corresponding portion of loans which, on the basis of historical analysis, will be transformed into bad and unlikely to pay loans. The loss forecast is reviewed annually. In the 2025 financial year, the loss forecast was determined on a flat-rate basis at 20%, in line with the previous financial year.

Impairment losses are recorded in the specific income statement item "Net value adjustments/write-backs for credit impairment". The original value of the loans is reinstated in subsequent years to the extent that the reasons that determined the adjustment no longer apply, and the write-back is also recorded in the income statement.

The increases in the present value of non-performing loans deriving from the passage of time (i.e. the expected moment for recovery draws near) are also recognised, albeit separately, under interest income.

Referring to the considerations made above with reference to the model used to determine the expected loss on performing positions, the following is some detailed information on the variables used to estimate the probability of default of the entrusted counterparties and the recovery rates in the event of their default.

For the measurement of expected losses on performing positions, the following information must be acquired:

- the probability of default (PD), i.e., the probability that the counterparty is classified as a "non-performing" loan (in Supervisory terminology) in the time horizon of 1 year and is therefore not potentially able to fulfil, in whole or in part, its contractual obligations;
- the PD is determined by rating class and by counterparty segment/model;

- the exposure of the position (EAD - Exposure at Default), which is either the amount of the residual loan to the counterparty or the potential amount of the loan to the counterparty which the Parent Bank could risk losing in the event of the counterparty's default;
- the Loss Given Default (LGD), i.e., the expected loss rate on a given credit exposure in the event of default by the counterparty.

LGD is determined by technical form and by counterparty segment/model.

The measure of expected loss can be defined as the product of the probability of default by the counterparty, the loss rate in the event of default by the counterparty and the exposure to the counterparty.

Impairment losses determined on performing loans are also recorded in the specific income statement item "Net value adjustments/write-backs for credit impairment".

With reference to the portfolio of performing endorsement loans, divided in turn between Stage 1 and 2, the write-down is determined by applying to the existing positions the average Parent Bank LGD calculated quarterly and, where applicable, the counterparty's PD, otherwise the average Bank PD calculated quarterly.

9 - Hedging transactions

The Group avails itself of the option provided by IFRS 9 to continue to apply the accounting estimates relating to hedging transactions contained in IAS 39.

Recognition criteria

Hedging derivatives are initially recognised at the date of stipulation at fair value, normally corresponding to the consideration paid, excluding transaction costs or revenues directly attributable to the instrument, which are charged directly to the income statement.

Classification criteria

Risk hedging transactions are aimed at neutralising potential losses on a certain element or a group of elements (hedged item), attributable to a certain risk, through the profits recorded on a different element or a different group of elements (hedging instrument) in the event that particular risk should actually occur.

The types of hedges envisaged by IAS 39 are:

- fair value hedge: has the objective of reducing exposure to adverse changes in the fair value of financial assets and financial liabilities, due to a particular risk;
- cash flow hedge: aimed at reducing exposure to adverse changes in expected cash flows against financial assets, financial liabilities or highly probable future transactions;
- hedge of a net investment in a foreign entity: with the aim of reducing exposure to adverse changes in expected cash flows for a transaction in foreign currency.

It is possible to apply the criteria envisaged for hedging transactions only if all the following conditions are met:

- the hedging relationship is formally designated and documented at the beginning of the relationship, with an indication of the risk management objectives and the strategies to achieve hedging, the hedged item and hedging instrument, the type of risk hedged and the criteria to measure the effectiveness of the hedge;
- the hedge must be "highly effective", i.e., changes in the fair value or cash flows of the hedged item must be almost completely offset by the corresponding changes in the hedging instrument. This offsetting effect must be realised in line with the risk management strategies, as originally documented (for hedging purposes). Furthermore, the effectiveness of the hedge (and therefore the related fair values) must be reliably measurable;

- the effectiveness of the hedge must be tested at the beginning and regularly throughout the life of the hedge. The hedge is considered highly effective when, at the beginning and during the relationship, there is an expectation that the changes, in terms of fair value and cash flows attributable to the hedged risk, will be almost entirely offset by corresponding changes in the hedging instruments, as well as the circumstance that, in the final balance, it made it possible to offset changes in the fair value or cash flows of the hedged item in a range from 80% to 125%;
- the effectiveness must be tested at each financial reporting date;
- in the case of hedging of a future transaction, the conclusion of the transaction must be highly probable;
- only those involving an external counterparty may be designated as hedging instruments.

Using only financial derivative contracts as hedging instruments, the Group exclusively envisages fair value hedges to hedge interest rate risk.

Measurement and recognition criteria for income components

Subsequent to initial recognition, hedging derivatives are measured at fair value.

The criteria for determining the fair value of financial instruments are described in section "A.4 - Information on fair value" of the Notes to the Financial Statements.

For fair value hedges, both changes in fair value relating to derivative contracts and changes in fair value relating to risks hedged relating to hedged items are recognised in the item "Net profit (loss) from hedging".

For cash flow hedges, accounting entries concern only derivative contracts: if the hedging relationship is fully effective, the change in the fair value of the derivative contract is recognised as a balancing entry to the changes in the "cash flow hedge" valuation reserve while, in the event of total or partial ineffectiveness, the portion of fair value referring to the ineffective component is charged to the income statement under the item "Net profit (loss) from trading".

Derecognition criteria

For fair value hedges, hedge accounting ceases prospectively in the following cases:

- a) the hedging instrument expires, is sold, discontinued or exercised;
- b) the hedge no longer meets the criteria envisaged for the accounting of the hedging transactions described above;
- c) the undertaking revokes the designation.

For cash flow hedges, hedge accounting ceases prospectively in the following cases:

- a) the hedging instrument expires, is sold, discontinued or exercised. In this case, the overall gain or loss of the hedging instrument, recognised directly in equity from the period in which the hedge was effective, must remain separately recognised in equity until the planned transaction occurs;
- b) the hedge no longer meets the criteria envisaged for the accounting of the hedging transactions described above. In this case, the overall gain or loss of the hedging instrument, recognised directly in equity from the period in which the hedge was effective, must remain separately recognised in equity until the planned transaction occurs;
- c) it is expected that the planned transaction will no longer occur, in which case any related overall profit or loss on the hedging instrument that remains recognised directly in equity from the period in which the hedge was effective must be recognised in the income statement under the item "Net profit (loss) from trading";
- d) the designation is revoked. For hedges of a forecast transaction, the overall gain or loss of the hedging instrument, recognised directly in equity from the period in which the hedge was effective remains

separately recognised in equity until the planned transaction occurs or when it is no longer expected it will take place. If it is expected that the transaction will no longer occur, the overall profit or loss that had been recognised directly in equity must be recognised in the income statement under the item "Net profit (loss) from trading".

10 - Equity investments

Recognition criteria

The initial recognition of equity investments takes place on the settlement date. Upon initial recognition, the assets are recognised at cost.

Classification criteria

The item includes equity investments held in associates or companies subject to joint control. Associates are companies in which the Group holds at least 20% of the voting rights or companies in which specific legal ties lead to their being subject to significant influence; companies subject to joint control are companies for which contractual, shareholder or other agreements determine joint management and the appointment of directors.

Measurement and recognition criteria for income components

Subsequent to their initial recognition, equity investments are measured using the equity method.

If there is evidence that the value of an equity investment may have been impaired, the recoverable amount of the equity investment is estimated, taking into account the present value of the future cash flows that the equity investment may generate, including the final disposal value of the investment and/or other measurement elements (for example the pro-rata equity ratio).

The amount of any impairment, determined on the basis of the difference between the carrying amount of the equity investment and its recoverable amount, is recognised in the income statement under the item "gains (losses) on equity investments".

If the reasons for the impairment cease to apply as a result of an event occurring after the recognition of the impairment, a reversal of the impairment loss is recognised in the same item of the income statement, up to the amount of the previous adjustment.

The pro-rata results for the year of associates and companies subject to joint control are recognised in the income statement under item 250. "Gains (losses) on equity investments".

Derecognition criteria

Equity investments are derecognised when the contractual rights on the cash flows deriving from the same assets expire or when the asset is sold transferring all the risks and benefits related to it.

11 - Property, plant and equipment

Recognition criteria

Property, plant and equipment are initially recognised at cost, which is equal to the purchase price increased by any charges attributable to the purchase and to the commissioning of the asset. Extraordinary maintenance costs that involve an increase in future economic benefits are recognised as an increase in the value of the assets, while ordinary maintenance costs are recognised in the income statement.

Classification criteria

Property, plant and equipment include land, operating properties, investment property, plant, furniture, furnishings, equipment of any type and, starting from 1 January 2019, rights of use on assets acquired under leases pursuant to the provisions of IFRS 16.

In particular, this item includes both property, plant and equipment used for the Group's operations, i.e., acquired for the provision of services or for administrative purposes, and those (buildings) held for investment purposes, i.e., acquired to earn rentals and/or held for capital appreciation.

Measurement and recognition criteria for income components

After initial recognition, property, plant and equipment are measured:

- at cost, less any amortisation and depreciation and impairment losses, as regards property, plant and equipment used for the Group's operations other than properties. Fixed assets are depreciated over their useful life, using the straight-line method, with the exception of works of art which, as they have an indefinite useful life, cannot be depreciated.
- at fair value, with adjustment at the end of each reporting period and recognition of the differential in the income statement, as regards properties under property, plant and equipment held for investment purposes. The fair value is determined on the basis of appraisals prepared at least annually by a qualified third party, chosen from among the leading companies in the sector.
- at fair value, starting from 2014, as regards the properties used for the Group's operations, adopting the Revaluation Model system provided for by IAS 16 instead of the Cost Model previously adopted. The application of this method involves the recognition of the properties at a value equal to their fair value, netted in subsequent years of the effects of the depreciation of said value, with the exclusion of that relating to land separated from the value of the building, presenting indefinite useful life. The unbundling of these values takes place only for buildings "free-standing". IAS 16 requires that the frequency of revaluations depends on fluctuations in the fair value of the revalued property, plant and equipment. When the fair value of the revalued asset differs materially from its carrying amount, a further revaluation is required. Frequent revaluations are not required for property, plant and equipment that have only insignificant fluctuations in their fair value. It may then only be necessary to reassess the asset every three to five years.

With regard to property, plant and equipment measured at cost, at each balance sheet or interim report date, if there is evidence of impairment, the recoverable amount is estimated, being the higher of the asset's fair value less costs to sell and its value in use, i.e. discounting the future cash flows that can be generated by the asset. If the recoverable amount is lower than the carrying amount, the difference is recognised in the income statement.

If the reasons for the impairment cease to apply as a result of subsequent events, reversals are made and charged to the income statement, up to the value of the net asset if no adjustments are made.

Derecognition criteria

A tangible asset is derecognised at the time of its disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal.

12 - Intangible assets

Recognition criteria

The intangible asset is recorded at cost, adjusted for any accessory charges, only if there is a likelihood that future economic benefits attributable to the asset will be realised and if the cost of the asset can be reliably determined.

Classification criteria

Intangible assets are represented by application software for long-term use and goodwill represented by the positive difference between the purchase cost and the fair value of the assets and liabilities acquired as part of Business Combinations.

Measurement and recognition criteria for income components

The cost of intangible assets with a finite useful life, after initial recognition, is amortised on a straight-line basis over their useful life, which is subject to measurement at the end of each year to verify the adequacy of the estimate.

At each balance sheet or interim report date, if there is evidence of impairment of an intangible asset, its recoverable amount is estimated by discounting the future cash flows that can be generated by the asset. If the recoverable amount is lower than the carrying amount, the difference is recognised in the income statement.

Intangible assets with an indefinite useful life include goodwill, which is the positive difference between the consideration paid for a business combination and the fair value of the identifiable net assets acquired, as more fully described in paragraph "18 – Other information – Business combinations, goodwill and changes in equity interests".

Goodwill is not subject to amortisation, but to periodic verification of the adequacy of the carrying amount (impairment test).

In particular, every time there is evidence of impairment and in any case at least once a year, an impairment test is performed. To this end, the cash-generating unit to which the goodwill is allocated is identified. The amount of any impairment loss is determined on the basis of the difference between the carrying amount of the goodwill and its recoverable amount, if lower. The recoverable amount is the higher of the fair value of the cash-generating unit, net of any costs to sell, and its value in use. The value in use is the present value of the future cash flows expected from the generating units to which the goodwill has been allocated. The resulting impairment losses are recognised in the income statement. No subsequent reversals of impairment losses may be recognised.

Derecognition criteria

An intangible asset is derecognised at the time of its disposal and if no future economic benefits are expected.

13 – Non-current assets and groups of assets held for sale and liabilities associated to assets held for sale

Recognition criteria

The individual assets and groups of assets held for sale pursuant to IFRS 5 and the related associated liabilities are classified under "Non-current assets and groups of assets held for sale" and "Liabilities associated with assets held for sale" if their carrying amount will be recovered mainly through a sale transaction, rather than through their continuous use.

Classification under these items concerns situations where a process of disposal of individual assets or groups of assets in their current conditions has been initiated and if their sale is considered highly probable as the Management is committed to the sale, whose completion should be expected within one year from the date of classification.

Measurement and recognition criteria for income components

Immediately before the classification of the individual assets or groups of assets and liabilities held for sale under the items "Non-current assets and groups of assets held for sale" and "Liabilities associated with assets held for sale", the carrying amount of assets and liabilities is remeasured by applying the reference accounting standards.

These assets and liabilities are measured at the lower of the carrying amount and the fair value net of costs to sell.

For the purposes of the subsequent measurement of a group of assets and liabilities held for sale, the carrying amount of each asset and liability included in the group that does not fall within the scope of application of IFRS 5 must be measured by applying the reference accounting standard before the group is measured at the lower of the carrying amount and the fair value net of costs to sell.

Property, plant and equipment and intangible assets held for sale are no longer subject to depreciation/amortisation.

The subsequent measurement of non-current assets and groups of assets held for sale is carried out according to the following criteria:

- any excess of the carrying amount with respect to the fair value net of costs to sell is charged to the income statement (impairment loss);
- each subsequent increase in the fair value net of costs to sell is charged to the income statement up to the amount of the accumulated impairment recorded previously.

The separate disclosure in the item "Profit (loss) from discontinued operations after tax" of the income statement is envisaged only for income and charges (net of the related taxes) relating to discontinued operations.

Derecognition criteria

The individual assets and groups of assets held for sale and the related associated liabilities are derecognised following their disposal.

14 - Current and deferred taxation

The effects relating to current and deferred taxes are recognised by applying the tax rates in force, respectively, in the current and subsequent tax periods.

Income taxes are recognised in the income statement with the exception of those relating to items charged or credited directly to equity.

The allocation for income taxes is determined on the basis of a prudential forecast of the current tax charge, the advance tax charge and the deferred tax charge. In particular, deferred tax assets and liabilities are determined on the basis of temporary differences, without time limits, between the value attributed to an asset or liability according to statutory criteria and the corresponding values assumed for tax purposes.

Deferred tax assets are recognised to the extent that their recovery is probable, based on the ability to generate positive taxable income on an ongoing basis.

Deferred tax liabilities are in turn recognised in the financial statements. It should be noted that with regard to untaxed reserves and revaluation surpluses, no provision is made for the related deferred taxes, in accordance with the provisions of IAS 12, paragraph 52b, which makes the allocation of deferred tax liabilities on untaxed reserves subject to the decision to distribute them (with the exception of the "Merger surplus reserve" set up when Credito Fondiario di Bolzano S.p.A. was merged). In this regard, it should be noted that the Group neither assumes nor does it deem it likely that in the short/medium term it will assume behaviours that could integrate the prerequisites for the payment of taxes in relation to distributions of reserves as per the previous paragraph.

Deferred tax assets and deferred tax liabilities are accounted for on an open balance sheet basis and without offsetting, with the former included under "Tax assets" and the latter under "Tax liabilities".

Tax liabilities are also adjusted to meet charges that could result from notified assessments or on-going disputes with the tax authorities.

15 - Provisions for risks and charges

Following the 5th update of Circular no. 262 of 22 December 2005 of the Bank of Italy, in consideration of the provisions of IFRS 9, the sub-item relating to commitments and guarantees issued, which in the previous version was allocated to Other liabilities, was also included in the item "Provisions for risks and charges".

Commitments and guarantees issued

This provision consists of write-downs on endorsement loans. Provisions on these forms of financing are calculated as from 1 January 2018 on the basis of the provisions of IFRS 9, therefore applying the same staging criteria as for cash loans and related PDs and LGDs.

Pension fund and similar obligations

The fund consists of a defined benefit section (Section A/A1) which provides a supplementary benefit to retired staff in addition to the gross benefits paid by INPS; the economic benefits due to members of this fund are assessed on the basis of an independent actuarial valuation in order to determine the technical reserves to be set aside to cover future pension benefits.

On a half-yearly basis, the actuarial study provides an estimate of the interest cost of the liability, the expected return on investments and, if necessary, the value of the allocation to the provision for staff still in service (service cost), the costs and revenues of which are recognised in the income statement. The difference between the expected return on the portfolio and the actual return is recorded directly in the Shareholders' Equity as a reduction or increase in retained earnings. The actuarial study also provides the values relating to changes in actuarial gains and losses used to determine future pension benefits. These changes are recorded directly in the Shareholders' Equity under retained earnings.

As provided for in IAS 1, the effects of the adjustment recorded under equity reserves are reported in a separate statement of changes in Shareholders' Equity (statement of comprehensive income), or in a format that summarises those income components which, in application of a particular international accounting standard, are recognised directly under equity reserves.

Other provisions

Other provisions for risks and charges are allocations against liabilities:

- arising from existing obligations (legal or implicit) of the company;
- the settlement of which will involve the use of economic resources by the company;
- whose value can be reliably measured;
- whose manifestation, or the probability of occurrence, is certain, probable or possible.

"Other provisions" also include other long-term benefits and long-term employee redundancy incentives recognised to employees.

Provisions relating to other long-term employee benefits are the benefits paid during the employment relationship that are not due in full within the twelve months following the end of the year in which the employees worked and are determined with the same actuarial criteria envisaged for pension funds, immediately recognising also actuarial gains and losses in the income statement.

Employment redundancy incentives are recognised when the company is unable to withdraw the offer of benefits; the liability is recognised before that date if the charges are classified as costs for restructuring transactions falling within the scope of application of IAS 37.

For the initial and subsequent recognition of redundancy incentives, provisions are applied relating to:

- “post-employment benefits”, if the benefits due on termination of the employment relationship are an improvement in post-employment benefits;
- “short-term benefits”, to be recognised on an accrual basis in the period the working activity is carried out, if it is expected that the benefits will be fully recognised within the twelve months following the end of the year in which these benefits are recorded;
- “other long-term benefits”, if it is expected that the benefits will not be fully recognised within the twelve months following the end of the year in which these benefits are recorded.

The value of the loss of economic resources must be discounted, if the time element of the financial settlement is significant; interest expense arising from the discounting process is recognised in the income statement.

Allocations to provisions are recognised under “Net allocations to provisions for risks and charges” in the income statement, as are the releases (value writebacks) for any out-of-period amounts due to the cessation of the potential liability; an exception is made for the economic components relating to employee benefits which, to better reflect their nature, are shown under the item “Administrative expenses - Personnel expenses”.

16 - Foreign currency transactions

Recognition criteria

Foreign currency transactions are recorded on initial recognition by applying the exchange rate prevailing on the date of the transaction to the foreign currency amount.

Measurement and recognition criteria for income components

At the end of each year, items in foreign currency are valued as follows:

- monetary items are converted at the exchange rate on the closing date;
- non-monetary items measured at historical cost are converted at the exchange rate in force on the date of the transaction;
- non-monetary items measured at fair value are converted using the exchange rates in force at the closing date.

17 - Insurance assets and liabilities

The Group does not manage insurance assets and liabilities.

18 - Other information

Treasury shares

Any treasury shares held or for which there is a purchase commitment are deducted from shareholders' equity.

No gain or loss is recognised in profit or loss on the purchase/sale/issue or derecognition of equity instruments.

The consideration paid or received is recognised in the shareholders' equity.

Employee severance indemnity

The employee severance indemnity and the length of service bonus are recognised on the basis of their actuarial value determined annually.

Recognition of revenues and costs

Revenues are recognised when received or when it is considered probable that the benefits will be received and said benefits can be reliably quantified.

In particular:

- interest on late payments is recognised in the income statement when it is collected;
- dividends are recognised in the income statement in the year in which their distribution is approved;
- commissions are recognised on an accrual basis, except for those considered in amortised cost for the purpose of determining the "effective interest rate", which are recognised under interest;
- administrative costs and expenses are recognised on an accrual basis.

Methods for determining the fair value of assets and liabilities

Fair value is defined by IFRS 13 as the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular course of business in the principal (or most advantageous) market at the measurement date, under current market conditions (i.e. a closing price), irrespective of whether that price is observable directly or estimated using a valuation technique.

1. Assets and liabilities measured at fair value through profit or loss:
 - financial assets held for trading: to determine the fair value of debt and equity securities listed (contributed) in an active market (level 1), the market prices of the last day of the reference year are used. In the absence of an active market (level 2), estimation and valuation methods based on market data and usually accepted in financial practice are used. These include: calculations of discounted cash flows, values recognised in recent transactions, valuations of listed instruments with similar characteristics and NAV in the event of mutual funds. All inputs used in a measurement that are not observable on the market are classified as level 3. To determine the fair value of derivative contracts, estimation methods and valuation models are used, such as the discounting of expected cash flows, through an internal valuation method carried out by the Risk Management Division;
 - financial assets measured at fair value: the assets are measured at fair value, determined on the basis of the same criteria illustrated for financial assets held for trading;
 - other financial assets mandatorily measured at fair value: the assets are measured at fair value, determined on the basis of the same criteria illustrated for financial assets held for trading.
2. hedging derivatives: contracts are valued using the same criteria used to value contracts recorded among assets held for trading.
3. financial liabilities measured at fair value: measurement at fair value is performed using valuation methods based on market data and usually accepted in financial practice, such as: calculations of discounted cash flows, values recognised in recent transactions, valuations of listed instruments with similar characteristics.
4. property, plant and equipment held for investment purposes: the fair value measurement is carried out on the basis of appraisals prepared at least once a year by a qualified third party chosen from among the leading companies in the sector, as detailed in the following Part B, section 9.4 of Assets.
5. property, plant and equipment held for business use: the fair value measurement is carried out on the basis of appraisals prepared by a qualified third party chosen from among the leading companies in the sector as described in more detail in the following Part B, sections 9.1 and 9.3 of Assets; the valuation is carried out with sufficient regularity to ensure that the carrying amount does not differ significantly from the value that would be determined using the fair value at the reporting date.
6. Financial assets and liabilities measured at fair value through other comprehensive income: the assets are measured at fair value, determined on the basis of the same criteria illustrated for financial assets held for trading. For equity securities where it is not possible to determine the fair value reliably, the cost is maintained (level 3).

7. Assets and liabilities recognised at cost or amortised cost for which fair value is disclosed in the Notes to the financial statements:
- asset and liability relations with customers and banks on demand, or with short-term or indefinite maturity: the fair value is equal to the carrying amount net of the analytical or collective write-down;
 - medium/long-term asset and liability relations with customers and banks: the fair value is determined by discounting future cash flows;
 - securities issued: for listed/contributed liabilities, the fair value is determined using the market prices of the last day of the reference year. For the remaining liabilities, the same methodology as described for financial liabilities measured at fair value is used.

Business combinations, goodwill and changes in equity interests

A business combination may involve the purchase of the net assets of another entity, including any goodwill, or the purchase of the equity of another entity (mergers, contributions, and acquisitions of business units). Such a combination does not result in an ownership relationship similar to that between a parent and a subsidiary and, therefore, IFRS 3 applies in such cases even in the separate financial statements of the acquirer.

Business combinations are accounted for using the purchase method, whereby the identifiable assets acquired and liabilities assumed, including contingent assets/liabilities, are recognised at their fair values at the acquisition date.

Any excess of the consideration transferred with respect to the fair value of the identifiable net assets is recognised as goodwill and is allocated, at the acquisition date, to the individual cash-generating units, or to groups of cash-generating units that should benefit from the synergies of the business combination, regardless of whether other assets or liabilities of the acquiree are assigned to these units or groups of units.

If the transfer consideration is lower than the fair value of the identifiable net assets, the difference is recognised immediately in the income statement as revenue under the item "Other operating income", after a new measurement to ensure that all assets acquired and liabilities assumed are correctly identified.

Changes to the consideration transferred are possible if they derive from additional information on facts and circumstances that existed at the acquisition date and are recognisable within the measurement period of the business combination (i.e. within twelve months of the acquisition date). Any other change that derives from events or circumstances subsequent to the acquisition, such as those recognised in the seller's favour linked to the achievement of some income performances, shall be recognised in the income statement.

The identification of the fair value of assets and liabilities must be finalised within a maximum period of twelve months from the acquisition date (measurement period).

A.3 - Information on transfers between portfolios of financial assets

This section shows the financial assets that have been reclassified. Specifically, the table represents the information relating to the reclassification of financial assets carried out by the Parent Bank in 2008, the year in which, following the crisis that occurred on the international financial markets, the International Accounting Standards Board (IASB) published an amendment to the international accounting standards IAS 39 and IFRS 7 allowing the reclassification of some financial instruments from the trading book to other portfolios. This reclassification is permitted only in "rare" circumstances that correspond, for example, to the situation of the financial markets that emerged during the third quarter of 2008.

In light of the extraordinary market situation, the fact that the quantified impairment losses were mainly related to market tensions and not to the evident and permanent deterioration of the creditworthiness of the counterparties, and the general orientation of the banking system towards the adoption of this amendment, the Parent Bank has

adopted it and reclassified portions of its financial instruments from the "financial assets held for trading" portfolio to the "financial assets available for sale" portfolio as of 29 October 2008.

Quantitative information from the 2008 reclassification is provided below.

Type of financial instrument (1)	Origin portfolio (2)	Target portfolio (3)	Fair value at 31/12/2025 (4)	Capital gains/losses in the absence of transfer to the income statement (pre-tax)		Gains/losses in the absence of the transfer in equity (pre-tax)	
				31/12/2025 (5)	31/12/2024 (6)	31/12/2025 (7)	31/12/2024 (8)
UCITS units	Fair value through profit or loss	Available for sale	83	(107)	(91)	-	-

A.3.3 Reclassified financial assets: change of business model and effective interest rate

With reference to the reclassification of financial assets carried out in 2008, at 31 December 2025, the fair value of the reclassified securities was equal to EUR 83 thousand before taxes. At that date, the average internal rate of return, in the absence of debt securities with coupon flows, was not determined, and the expected cash flows are zero.

A.4 - Information on fair value

Qualitative information

A.4.1 Fair value levels 2 and 3: valuation techniques and inputs used

The Group assigns the highest priority to prices recorded on active regulated markets (Fair value level 1).

If prices directly observable on active markets are not available, valuation techniques are used that maximise the use of information available on the market and are affected as little as possible by subjective valuations or internal assumptions. The valuation techniques and inputs used for the various types of financial instruments measured/not measured at fair value on a recurring basis are described below.

For the determination of the fair value of debt securities not listed in an active market or that are not available on info providers in the context of electronic trading circuits and are visible as operating quotations of individual contributors to which one has immediate access, the Group makes use, where available, of prices observed on non-active markets and/or recent transactions carried out on similar instruments in active markets (so-called comparable approach). By way of example, price indications obtainable from info providers such as Bloomberg and Reuters are taken into consideration, or failing that, by using valuations provided by Issuers, contributors or institutional counterparties specialised in dealing in the financial instruments being valued. The fair value thus determined is assigned to level 2 of the Fair Value Hierarchy.

If no information source as described above is available or if it is believed that the available sources do not reflect the true fair value of the financial instrument, a model valuation approach is used, which mainly uses inputs observable on the market to estimate the possible factors that affect the fair value of a financial instrument. The fair value thus determined is also assumed to be level 2 of the Fair Value Hierarchy. If for one or more risk factors it is not possible to refer to market inputs, internally determined parameters are used on a historical-statistical basis which, where significant, entail the assignment of a level 3 of the Fair Value Hierarchy.

To determine the fair value of an equity security not listed in an active market, the Group uses:

- an approach based on financial and/or income methodology depending on the company analysed and the data available. For the banking companies, an income/balance sheet scenario is reconstructed with a contextual comparison between forecast CET1 values and target CET1 values. This approach allows for the quantification of dividend distribution in order to obtain a Dividend Discount Model. For non-bank companies, a financial approach is used with both asset side and equity side valuations. Finally, particular cases or situations with contingent market variables are valued based on stock market multipliers or on a "Gordon-model" basis, assuming a normalised and constant income scenario over the long term;
- the value corresponding to the portion of shareholders' equity held, as shown in the company's latest approved financial statements.
- the prices of direct transactions in the same or similar securities observed over a reasonable period of time from the valuation date;
- the value resulting from independent appraisals if available.

The fair value thus determined is assigned to level 3 of the Fair Value Hierarchy.

In the presence of a fair value that cannot be reliably determined, the cost is maintained as the carrying amount; this case occurs if the results of the valuation differ significantly.

In order to determine the measurement of financial instruments such as AIFs (Alternative Investment Funds) and ABSs (Asset-Backed Securities) whose primary underlying assets are credit assets, for which the Group adopted a specific fair value policy in 2025 that governs, in accordance with IFRS 13 and applicable regulatory requirements, the principles and methodologies for determining the fair value of these financial assets, a methodological note has been prepared for estimating the fair value of credit-related UCITS, with the aim of setting out the methodological choices adopted by the Group, also in compliance with the provisions of Document No. 8 of the Coordination Committee comprising the Bank of Italy, Consob and Ivass regarding the application of the IAS/IFRS.

In this context, two possible approaches have been identified, the application of which, in the order of priority indicated, depends on the availability of up-to-date and reliable data and information:

- Discounted cash flow (DCF)
- Adjusted NAV.

In terms of the fair value hierarchy and the related disclosures required by IFRS 7, the financial instruments in question are classified as Level 3.

These choices were dictated by the need to identify a fair market value for instruments which, in their management reports show a NAV (Net Asset Value) that is not representative of fair value or is based on calculation criteria that do not reflect a market value or readily realisable value.

To determine the fair value of UCITS units not listed in an active market and distinct from those with credit-related underlying assets, namely AIFs with real estate assets as their underlying elements, the Group uses the NAV communicated by the Management Company without making any adjustments. An exception to this criterion is the valuation of the Augusto closed-end real estate fund, now close to maturity, for which the Bank has applied a liquidity discount of 20% on the NAV value of the last available management report.

Investments in UCITS, whose NAV is updated and published periodically (at least every six months) and is representative of the amount at which the position can be partially or fully liquidated at the initiative of the holder, are classified in level 2 of the Fair Value Hierarchy. A similar classification is also used for capitalisation certificates held and valued on the basis of the redemption value communicated by the issuer, coinciding with the amount of the "mathematical reserve" certified year by year.

For the valuation of the bonds issued by the Bank, specific valuation models of the Discounting Cash Flow type are used, which envisage the discounting of expected cash flows through the use of a discount curve.

In application of the provisions of IFRS 13, financial liabilities at fair value are measured considering their own credit risk, through the income statement. This accounting treatment remains valid even after the entry into force of IFRS 9, according to which the changes in fair value attributable to credit risk are generally recognised in a special valuation reserve (other comprehensive income). This is because the same standard identifies an exception to this accounting criterion, where this involves the creation or expansion of an accounting asymmetry in the recognition of the fair value delta of the liability and those of the relative derivative.

This valuation technique (fair value level 2) is consistent with the quantification of the initial fair value of the obligation, which is always recognised in the financial statements at the amount received for the transfer of the liability.

To determine the fair value of over the counter (OTC) derivative contracts, valuation techniques are used that predominantly use significant inputs, based on observable market parameters (Interest rate curves, Volatilities, Credit curves, Spot price, etc.) which are aseptically obtained from the Reuters info-provider.

For short-term "Loans to banks" and "Due to banks" (maturing within 12 months), the carrying amount is conventionally assumed as fair value, while medium/long-term amounts are measured according to the methodology of discounting the cash flows provided for in the contract, through the use of risk-free curves, if necessary, corrected to take into account the credit risk of the counterparty or own. The fair value thus determined is assigned to level 3 of the Fair Value Hierarchy.

For short-term "Loans to customers" (falling due within 12 months), the fair value is conventionally assumed to be the carrying amount. The measurement of medium/long-term loans corresponds to the amount of the contractually expected future cash flows, including interest, discounted on the basis of the risk-free rate curve. The expected nominal future cash flows are adjusted for expected losses using the probability of default (PD) and loss given default (LGD) parameters attributed to the specific risk class and determined in accordance with IFRS 9 - Impairment, *i.e.*, with a forward-looking perspective, therefore modified in substance compared to the previous historical-statistical analysis. The fair value thus determined is assigned to level 3 of the Fair Value Hierarchy.

For short-term "Due to customers" (falling due within 12 months), the fair value is conventionally assumed to be the carrying amount. Medium- and long-term liabilities other than bonds issued as described above are valued on the basis of the discounted cash flow method of the contractually expected cash flows, adjusted if necessary to take into account their credit risk. The fair value thus determined is assigned to level 3 of the Fair Value Hierarchy.

A.4.2 Evaluation processes and sensitivity

On the basis of the above, the financial instruments measured at fair value on a recurring basis and classified in level 3 of the hierarchy provided for in IFRS 13 refer to some interests of an insignificant amount, as well as to UCITS with underlying credit elements. Sensitivity analyses are carried out on those financial assets and liabilities measured at level 3 fair value for which, based on the measurement model used to determine the fair value, execution is possible.

A.4.3 Fair value hierarchy

The methods for determining the fair value for the various types of financial instruments are the same as those used in previous years and did not give rise to any transfers between the different levels of the fair value hierarchy provided for in IFRS 13, with the exception, as previously explained, of units in credit-related UCITS whose NAV does not reflect fair value; for the determination of the fair value of such units, the Group has adopted a specific policy setting out the calculation methodology. These assets were therefore transferred in the financial statements as at 31 December 2025, to level 3 of the fair value hierarchy from the previous level 2.

A.4.4 Other information

There is no other information worthy of mention.

Quantitative disclosure

A.4.5 Fair value hierarchy

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

Below is the breakdown of financial instruments measured at fair value, classified according to the hierarchy levels defined by IFRS 13.

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

	31/12/2025			31/12/2024		
Financial assets/liabilities measured at fair value	L1	L2	L3	L1	L2	L3
1. Financial assets measured at fair value through profit or loss	96,032	42,507	52,652	104,366	89,445	3,807
a) financial assets held for trading	40,132	680	10	41,017	1,005	7
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	55,899	41,826	52,643	63,348	88,440	3,800
2. Financial assets measured at fair value through other comprehensive income	540,387	12	29,639	154,653	10,007	29,533
3. Hedging derivatives	-	58,679	-	-	31,218	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	636,418	101,197	82,292	259,019	130,670	33,341
1. Financial liabilities held for trading	-	147	-	-	551	-
2. Financial liabilities designated at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	7,663	-	-	30,576	-
Total	-	7,810	-	-	31,126	-

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
	Total	of which: a) financial assets held for trading	of which: b) financial assets designated at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balance	3,807	7	-	3,800	29,533	-	-	-
2. Increases	52,818	4	-	52,814	106	-	-	-
2.1. Purchases	-	-	-	-	106	-	-	-
2.2. Profits attributed to:	146	-	-	146	-	-	-	-
2.2.1. Income Statement	146	-	-	146	-	-	-	-
- of which capital gains	146	-	-	146	-	-	-	-
2.2.2. Shareholders' equity	-	X	X	X	-	-	-	-
2.3. Transfers from other levels	52,652	-	-	52,652	-	-	-	-
2.4. Other increases	20	4	-	16	-	-	-	-
3. Decreases	(3,973)	(2)	-	(3,971)	-	-	-	-
3.1. Sales	-	-	-	-	-	-	-	-
3.2. Refunds	(1)	(1)	-	-	-	-	-	-
3.3. Losses attributed to:	(3,971)	-	-	(3,971)	-	-	-	-
3.3.1. Income Statement	(3,971)	-	-	(3,971)	-	-	-	-
- of which capital losses	(3,971)	-	-	(3,971)	-	-	-	-
3.3.2. Shareholders' Equity	-	-	-	-	-	-	-	-
3.4. Transfers to other levels	-	-	-	-	-	-	-	-
3.5. Other decreases	-	-	-	-	-	-	-	-
4. Closing balance	52,652	9	-	52,643	29,639	-	-	-

This table shows the changes that took place in the financial year 2025 in financial assets classified at level 3 of the fair value hierarchy; it also includes some minority interests in unlisted companies and, as from 31 December 2025, units in credit-related UCITS classified as financial assets that must be measured at fair value, which were previously considered to have a level 2 fair value.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level

Assets/Liabilities not measured at fair value or measured at fair value on a non-recurring basis	31/12/2025				31/12/2024			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets measured at amortised cost	13,002,909	3,019,370	174,431	10,037,406	13,243,255	3,473,442	71,957	9,647,649
2. Property, plant and equipment held for investment purposes	137,217	-	-	137,217	140,770	-	-	140,770
3. Non-current assets and groups of assets classified as held for sale	(5,979)	-	-	4,846	7,098	-	-	6,732
Total	13,146,105	3,019,370	174,431	10,179,469	13,391,123	3,473,442	71,957	9,795,151
1. Financial liabilities measured at amortised cost	13,959,248	-	811,897	13,018,316	13,789,129	-	711,051	13,179,358
2. Liabilities associated with assets classified as held for sale	444	-	-	-	527	-	-	-
Total	13,959,692	-	811,897	13,018,316	13,789,656	-	711,051	13,179,358

A.5 - Information on "Day one profit/loss"

According to IFRS 7, paragraph 28, evidence must be provided of the amount of the "Day One Profit or Loss" to be recognised in the income statement at 31 December 2025, as well as a reconciliation to the opening balance. "Day One Profit or Loss" is the difference between the fair value of a financial instrument acquired or issued at initial recognition (transaction price) and the amount determined at that date using a valuation technique. In this regard, it should be noted that there are no cases that should be disclosed in this section.

Part B – Information on the Consolidated Balance Sheet

Assets

Section 1 – Cash and cash equivalents – item 10

1.1 Cash and cash equivalents: breakdown

	Total 31/12/2025	Total 31/12/2024
a) Cash	69,449	70,483
b) Current accounts and demand deposits with central banks	710,000	623,500
c) Current accounts and demand deposits with banks	80,809	23,272
Total	860,258	717,255

The item "Cash" includes the amounts of cash in euro and in other currencies held by Cassa Centrale, the cash of the dependencies and the ATMs at the reference dates.

Effective from 31 December 2021, following the seventh update of Bank of Italy Circular no. 262 "The bank financial statements: formats and rules for preparation", the item "Cash and cash equivalents" also includes demand deposits with banks. This update has brought the presentation of the financial statements more in line with FINREP reporting.

The value shown in point "b) Current accounts and demand deposits with Central Banks" refers to the deposit facility account opened at the Bank of Italy, which essentially includes overnight transactions. The amount pertaining to Sparkasse amounts to EUR 570.0 million, the remainder corresponds to the same type of deposit of the subsidiary CiviBank.

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

2.1 Financial assets held for trading: breakdown by type

Items/Values	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
A. On-balance sheet assets						
1. Debt securities	30,704	-	8	33,391	-	5
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	30,704	-	8	33,391	-	5
2. Equity securities	31	-	-	23	-	-
3. UCITS units	9,397	-	2	7,604	-	2
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	40,132	-	10	41,017	-	7
B. Derivative instruments	-	-	-	-	-	-
1. Financial derivatives	-	680	-	-	1,005	-
1.1 trading	-	680	-	-	1,005	-
1.2 related to the fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 trading	-	-	-	-	-	-
2.2 related to the fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	-	680	-	-	1,005	-
Total (A+B)	40,132	680	10	41,017	1,005	7

The total of "Financial assets held for trading" records a contained reduction of EUR 1.2 million compared to the previous year's figures.

The investments of the Retired Staff Pension Fund A-A1 included under the same on-balance sheet assets amounted to EUR 34.7 million (of which EUR 9.4 million in units of UCITS).

The amount shown in line B1.1 "Financial derivatives - held for trading" represents the positive fair value of the part no longer effective of previous derivatives designated as hedges on a cap option on variable rate mortgages with a maximum ceiling (totalling EUR 510 thousand), ii) the positive valuation of derivatives for currency commitments (totalling EUR 569 thousand).

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

Items/Values	Total 31/12/2025	Total 31/12/2024
A. On-balance sheet assets		
1. Debt securities	30,712	33,396
a) Central Banks	-	-
b) Public administrations	24,435	31,603
c) Banks	1,685	416
d) Other financial companies	1,265	207
of which: insurance companies	-	-
e) Non-financial companies	3,327	1,169
2. Equity securities	31	23
a) Banks	9	5
b) Other financial companies	19	15
of which: insurance companies	-	-
c) Non-financial companies	3	3
d) Other issuers	-	-
3. UCITS units	9,399	7,605
4. Loans	-	-
a) Central Banks	-	-
b) Public administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total (A)	40,142	41,024
B. Derivative instruments		
a) Central Counterparties	-	-
b) Other	680	1,005
Total (B)	680	1,005
Total (A+B)	40,822	42,029

The categories of funds included in the item "UCITS units" are as follows and for the following values:

- Balanced	9,391
- Equity	8
Total	9,399

2.5 Other financial assets mandatorily measured at fair value: breakdown by type

Items/Values	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	1,125	1,025	1,888	3,643	1,393	55
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	1,125	1,025	1,888	3,643	1,393	55
2. Equity securities	-	-	1,850	-	-	1,850
3. UCITS units	54,774	40,801	46,959	59,706	87,046	-
4. Loans	-	-	1,945	-	-	1,895
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	1,945	-	-	1,895
Total	55,899	41,826	52,643	63,348	88,440	3,800

Financial assets mandatorily measured at fair value due to the failure to pass the SPPI test required by IFRS 9, recorded a decrease of EUR 5.2 million, essentially attributable to the capital losses recorded on UCITS units. It should be noted that the credit-related UCITS as at 31 December 2025 were classified in level three of the fair value hierarchy, with respect to level 2 where they were recognised last year, with the aim of setting out the methodological choices adopted by the Group, also in compliance with the provisions of Document No. 8 of the Coordination Committee comprising the Bank of Italy, Consob and Ivass regarding the application of the IAS/IFRS.

2.6 Other financial assets mandatorily measured at fair value: breakdown by debtor/issuer

	Total 31/12/2025	Total 31/12/2024
1. Equity securities	1,850	1,850
of which: banks	-	-
of which: other financial companies	-	-
of which: non-financial companies	1,850	1,850
2. Debt securities	4,038	5,091
a) Central Banks	-	-
b) Public administrations	-	-
c) Banks	726	1,743
d) Other financial companies	3,312	3,348
of which: insurance companies	1,025	1,030
e) Non-financial companies	-	-
3. UCITS units	142,535	146,752
4. Loans	1,945	1,895
a) Central Banks	-	-
b) Public administrations	-	-
c) Banks	-	-
d) Other financial companies	1,945	1,895
of which: insurance companies	1,945	1,895
e) Non-financial companies	-	-
f) Households	-	-
Total	150,368	155,588

The categories of funds included in the item "UCITS units" are as follows and for the following values:

- Bonds	76,353
- Equity	7,921
- Closed real estate	32,311
- Real estate / credit	12,750
- Credit	13,200
Total	142,535

Section 3 – Financial assets measured at fair value through other comprehensive income – Item 30

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

Items/Values	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	537,883	12	-	151,971	10,007	-
1.1 Structured securities	296	-	-	290	-	-
1.2 Other debt securities	537,587	12	-	151,681	10,007	-
2. Equity securities	2,504	-	29,639	2,682	-	29,533
3. Loans	-	-	-	-	-	-
Total	540,387	12	29,639	154,653	10,007	29,533

With reference to the grouping referred to in point 2. "Equity securities" in the table above, details of the individual minority equity investments classified under the "equity fair value option" are provided below, divided up between those held by the Sparkasse Group before the transaction for the acquisition of CiviBank and those held by the latter. In addition to these minority equity investments, there are EUR 20 thousand of other listed equity instruments always managed under the equity fair value option.

Figures in Euro

	Value nominal	Percentage of capital	Value in the financial statements
Equity securities – Banks			9,547,738
Bank of Italy – Rome	9,425,000	0.126	9,425,000
Banca Popolare di Puglia e Basilicata S.p.A. – Altamura (BA)	335,096	0.219	122,738
Equity securities – Other issuers: insurance companies			2,500,000
ITAS MUTUA Assicurazioni (TN)	2,500,000	-	2,500,000
Equity securities – Other issuers: non-financial undertakings			4,212,198
NEXI S.p.A. – Milan (formerly SIA – SSB S.p.A.)	222,359	0.187	938,577
Bancomat SpA	4,370	0.012	-
CBI S.p.c.A.	9,482	1.030	14,731
VALIA SPA	30,000	5.000	30,000
SWIFT – Brussels	875	0.006	13,917
BZS Holding GmbH – Innsbruck (A)	6,000	4.000	6,000
Funivie Madonna di Campiglio S.p.A. – Pinzolo (TN)	156,821	2.845	2,186,174
Funivie Folgarida e Marilleva S.p.A. Ord. shares – Dimaro (TN)	793,557	2.309	995,001
Teleriscaldamento Termo elettrico Dobbiaco/San Candido Scarl	20,141	0.410	25,513
Azienda Energetica Prato Scarl – Prato allo Stelvio	630	0.198	630
Cooperativa Acqua Potabile San Michele – Appiano	20	0.094	5
WuEgA – Wärme und Energie Genossenschaft Ahrntal	1,650	-	1,650
Total			16,259,937

With regard to the subsidiary CiviBank, the relative details are provided below:

Figures in Euro

	Value nominal	Percentage of capital	Value in the financial statements
Equity securities - Banks			2,275,702
Valsabbina Bank	324,552	0.316	1,320,993
Bank For Business	519,556	4.620	954,709
Equity securities - Other issuers: insurance companies			5,000,000
ITAS MUTUA Assicurazioni (TN)	5,000,000	-	5,000,000
Equity securities - Other issuers: non-financial undertakings			8,586,971
Friulia SpA	2,047,908	0.661	6,498,802
Unione Fiduciaria Spa	5,940	0.100	7,034
Catas S.P.A.	90,310	9.176	937,462
KB 1909 SPA	127,007	0.013	3,516
KB 1909 SPA PRIV B	125,645	-	3,478
Centro Formazione Professionale Scarl	20,910	9.083	598,472
Natisone Tower Gal	1,250	9.360	863
Consulting Spa	1,975	1.317	3,150
Agenzia Sviluppo Distretto Industriale Della Sedia Spa (Asdi)	20,067	8.027	2,500
S.W.I.F.T.	1,000	0.009	5,861
Luigi Luzzatti Spa	58,158	8.947	232,632
NEXI SPA	239	0.002	100,979
ATM SPA ADR	25,925	0.070	25,879
CBI AOR	-	0.337	10,691
FRIULIA AZ CORR ALPHA	137,520	-	135,653
FOND AGRIFOOD & BIOE	20,000	8.000	20,000
Total			15,862,673

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

Items/Values	Total 31/12/2025	Total 31/12/2024
1. Debt securities	537,895	161,978
a) Central Banks	-	-
b) Public administrations	442,144	129,820
c) Banks	91,031	25,311
d) Other financial companies	1,796	1,311
of which: insurance companies	-	-
e) Non-financial companies	2,925	5,536
2. Equity securities	32,143	32,215
a) Banks	11,823	11,648
d) Other issuers:	20,320	20,567
- other financial companies	8,850	9,116
of which: insurance companies	7,500	7,500
- non-financial companies	11,450	11,403
- other	20	48
3. Loans	-	-
a) Central Banks	-	-
b) Public administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	570,038	194,194

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

	Gross amount					Total value adjustments				Total partial write-offs
	First stage	of which: Instrument s with low credit risk	Second stage	Third stage	Purchased or originated impaired	First stage	Second stage	Third stage	Purchased or originated impaired	
Debt securities	537,984	537,984	90	-	-	(101)	(78)	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	537,984	537,984	90	-	-	(101)	(78)	-	-	-
Total 31/12/2024	162,008	162,008	142	-	-	(61)	(110)	-	-	-

The table shows the total value adjustments on financial assets measured at fair value through other comprehensive income. The gross amount corresponds to the carrying amount of the financial assets, gross of total value adjustments and net of total write-offs.

Section 4 - Financial assets measured at amortised cost - item 40

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

Type of transactions/Values	Total 31/12/2025						Total 31/12/2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	First and second stage	Third stage	Purchased or originated impaired	L1	L2	L3	First and second stage	Third stage	Purchased or originated impaired	L1	L2	L3
A. Loans to Central Banks	106,353	-	-	-	-	106,353	95,640	-	-	25,658	-	-
1. Term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserve	106,353	-	-	X	X	X	95,640	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Loans to banks	568,417	-	-	558,641	-	11,694	340,199	-	-	310,668	-	32,995
1. Loans	11,694	-	-	-	-	11,694	31,562	-	-	-	-	32,995
1.1 Current accounts	223	-	-	X	X	X	213	-	-	X	X	X
1.2. Term deposits	3,975	-	-	X	X	X	30,477	-	-	X	X	X
1.3. Other loans:	7,496	-	-	X	X	X	872	-	-	X	X	X
- Reverse repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
- Lease financing	-	-	-	X	X	X	-	-	-	X	X	X
- Other	7,496	-	-	X	X	X	872	-	-	X	X	X
2. Debt securities	556,723	-	-	558,641	-	-	308,637	-	-	310,668	-	-
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	556,723	-	-	558,641	-	-	308,637	-	-	310,668	-	-
Total	674,770	-	-	558,641	-	118,047	435,839	-	-	336,326	-	32,995

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

Type of transactions/Values	Total 31/12/2025						Total 31/12/2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	First and second stage	Third stage	Purchased or originated impaired	L1	L2	L3	First and second stage	Third stage	Purchased or originated impaired	L1	L2	L3
1. Loans	9,570,968	183,274	10,631	-	-	9,915,243	9,438,042	173,957	15,647	-	-	9,587,480
1. Current accounts	516,395	11,214	1,719	X	X	X	593,242	9,186	1,705	X	X	X
2. Reverse repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
3. Mortgages	7,313,082	143,519	7,098	X	X	X	7,058,592	134,177	11,613	X	X	X
4. Credit cards, personal loans and salary-backed loans	63,651	449	61	X	X	X	72,438	668	106	X	X	X
5. Lease financing	288,871	3,995	687	X	X	X	265,594	3,529	1,152	X	X	X
6. Factoring	-	-	-	X	X	X	-	-	-	X	X	X
7. Other loans	1,388,970	24,098	1,065	X	X	X	1,448,176	26,396	1,072	X	X	X
2. Debt securities	2,558,960	4,306	-	2,476,549	158,388	4,338	3,179,770	-	-	3,137,115	71,957	27,174
1. Structured securities	3,221	-	-	3,017	285	-	3,866	-	-	3,320	-	570
2. Other debt securities	2,555,739	4,306	-	2,473,533	158,102	4,338	3,175,904	-	-	3,133,795	71,957	26,604
Total	12,129,929	187,580	10,631	2,476,549	158,388	9,919,581	12,617,812	173,957	15,647	3,137,115	71,957	9,614,654

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

Type of transactions/Values	Total 31/12/2025			Total 31/12/2024		
	First and second stage	Third stage	Purchased or originated impaired assets	First and second stage	Third stage	Purchased or originated impaired assets
1. Debt securities	2,558,960	4,306	-	3,179,770	-	-
a) Public administrations	2,369,510	-	-	3,055,558	-	-
b) Other financial companies	102,484	4,306	-	77,172	-	-
of which: insurance companies	-	-	-	-	-	-
c) Non-financial companies	86,966	-	-	47,040	-	-
2. Loans to:	9,570,968	183,274	10,631	9,438,042	173,957	15,647
a) Public administrations	31,920	-	-	35,363	-	-
b) Other financial companies	533,871	938	-	434,285	8,042	-
of which: insurance companies	284,503	-	-	245,049	-	-
c) Non-financial companies	5,063,465	144,898	6,257	5,068,110	125,310	7,094
d) Households	3,941,712	37,438	4,374	3,900,285	40,605	8,553
Total	12,129,929	187,580	10,631	12,617,812	173,957	15,647

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

	Gross amount					Total value adjustments				Total partial write-offs	
	First stage	of which: Instruments with low credit risk	Second stage	Third stage	Purchased or originated impaired	First stage	Second stage	Third stage	Purchased or originated impaired		
Debt securities	3,094,766	3,151,363	22,177	4,789	-	(892)	(368)	(484)	-	-	
Loans	8,775,159	-	966,238	347,347	11,811	(13,215)	(39,166)	(164,073)	(1,181)	(17,669)	
Total	31/12/2025	11,869,925	3,151,363	988,414	352,136	11,811	(14,106)	(39,534)	(164,557)	(1,181)	(17,669)
Total	31/12/2024	11,999,768	3,538,021	1,112,476	347,084	17,857	(14,603)	(43,990)	(173,128)	(2,210)	(30,236)

The table shows the total value adjustments on financial assets measured at amortised cost. The gross amount corresponds to the carrying amount of the financial assets, gross of total value adjustments and net of total write-offs.

With the Communication of 14 March 2023, the Bank of Italy updated the provisions of Circular No. 262 "The Banking Balance Sheet" in the face of the changed scenario linked to the Covid-19 pandemic, and repealed the temporary provisions that had been introduced to provide information to the market on the effects of Covid-19 and the economic support measures on intermediaries. Therefore, balance sheet information on loans with a moratorium is derecognised, while information on loans with a government guarantee is provided below in free format.

The total amount of government guaranteed loans granted as a result of the Covid-19 pandemic, outstanding as at 31 December 2025, amounted to EUR 201.5 million (of which EUR 101.7 million from the Parent Bank and EUR 99.8 million from Banca di Cividale) on which total value adjustments of EUR 3.3 million were recorded.

Section 5 - Hedging derivatives - item 50

5.1 Hedging derivatives: breakdown by type of hedge and by level

	Fair value 31/12/2025			31/12/2025	Fair value 31/12/2024			31/12/2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1) Fair value	-	58,679	-	1,011,441	-	31,218	-	504,150
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	58,679	-	1,011,441	-	31,218	-	504,150

For a description of these transactions, see table 5.2 below.

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

Transactions/Type of hedge	Fair value							Cash flows		Foreign investments
	Micro						Macro	Micro	Macro	
	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	-	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	-	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	58,679	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total Assets	-	-	-	-	-	-	58,679	-	-	-
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	-	-

The carrying amount of the derivatives shown in this table refers to the positive fair value of hedging derivatives of various fixed-rate mortgage portfolios for which the Group banks have hedged the interest rate risk through Interest Rate Swaps, converting it to a floating rate.

It should be noted that the fair values of derivatives designated to hedge loans with caps (interest rate caps) amounted to approximately EUR 119 thousand at 31 December 2025. These hedges are configured as Fair Value Hedging transactions as required by IAS 39.

In this regard, the required prospective and retrospective tests were carried out; on the basis of their partial ineffectiveness resulting from valuations at 31 December 2025 of the hedges relating to loans with caps, a partial unwinding operation was necessary on some contracts, with the realignment of the notional amount to the residual debt covered; as a result of this operation, the test was passed. The value relating to the ineffective portion of the derivative is therefore stated under financial assets held for trading (Item 20.a) of Assets) rather than under hedging derivatives with fair value deltas through profit or loss.

Section 6 - Value adjustment of financial assets subject to macro-hedging - item 60

6.1 Value adjustment of hedged assets: breakdown by hedged portfolio

Value adjustment of hedged assets/Values	Total 31/12/2025	Total 31/12/2024
1. Positive adjustment	3,613	3,678
1.1 of specific portfolios:	3,613	3,678
a) financial assets measured at amortised cost	3,613	3,678
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 comprehensive	-	-
2. Negative adjustment	(45,213)	(301)
2.1 of specific portfolios:	(45,213)	(301)
a) financial assets measured at amortised cost	(45,213)	(301)
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 comprehensive	-	-
Total	(41,600)	3,377

The value adjustment of financial assets subject to macro fair value hedging relates to some separate portfolios of fixed-rate mortgages for which the interest rate risk has been hedged. This item also includes a portfolio of floating-rate loans with a maximum ceiling (Cap) that was subject to macro fair value hedging with derivative contracts (interest rate option). Since the hedge is macro, the profit/loss on the hedged item attributable to the hedged risk does not directly change the value of the hedged item (as in the case of micro hedging), but must be stated in this separate asset item. The amount of receivables subject to macro hedging is shown in table 6.2 below.

Valuation income and expenses relating to hedging derivatives and the hedged portfolio are recognised in item 90 of the income statement "Net profit (loss) from hedging".

The fair value of the aforementioned hedging derivatives is shown, based on the sign, in tables 5.2 of Assets or 4.2 of Liabilities, both referred to as "Hedging derivatives: breakdown by hedged portfolio and type of hedge", in the column "Macro Hedging".

6.2 Assets subject to macro hedging of interest rate risk

	31/12/2025	31.12.2024
1. Financial assets measured at amortised cost	1,388,263	1,247,978
2. Financial assets measured at fair value through other comprehensive income		
3. Portfolio		
Total	1,388,263	1,247,978

The table shows the value at amortised cost of both the fixed-rate mortgages on which the Group has hedged its rate risk and the floating-rate mortgages for which, upon payment of an increase on the spread, the customer is guaranteed that the rate of the loan will never exceed the contractually established rate (Cap) included in the item "Financial assets measured at amortised cost - Loans to customers".

The sum of this value and that shown in table 5.2 shows the carrying amount of these receivables, adjusted for the profit or loss attributable to the hedged risk.

Section 7 - Equity investments - item 70

7.1 Equity investments: information on equity investments

Company names	Registered office	Operational office	Type of relationship	Shareholding relationship		Availability of votes %
				Investing company	Stake %	
A. Undertakings controlled jointly						
B. Undertakings subject to significant influence						
1. Autosystem	Trento	Pordenone	8	CR Bolzano S.p.A.	25.00%	25.00%
2. Arcient S.r.l.	Udine	Udine	8	Civibank S.p.A.	30.00%	30.00%
3. Helpline S.p.A.	Cividale del Friuli (UD)	Cividale del Friuli (UD)	8	Civibank S.p.A.	30.00%	30.00%
4. Civiesco S.r.l.	Udine	Udine	8	Civibank S.p.A.	20.00%	20.00%
Key: 7 = joint control 8 = associate						

7.2 Significant equity investments: carrying amount, fair value and dividends received

Company names	Carrying amount	Fair value	Dividends received
A. Undertakings controlled jointly			
B. Undertakings subject to significant influence			
1. Autosystem S.p.A.	8,254		
2. Acirent S.r.l.	548		
3. Helpline S.p.A.	1,722		
4. Civiesco S.r.l.	18		
Total	10,542	-	-

7.3 Significant equity investments: accounting information

Company names	Cash and cash equivalents	Financial assets	Non-financial assets	Financial liabilities	Non-financial liabilities	Total revenues	Net interest income	Net value adjustments/write-backs to property, plant and equipment and intangible assets	Profit (loss) from current operations before tax	Profit (loss) from current operations after tax	Profit (loss) from discontinued operations after tax	Profit (loss) for the year (1)	Other income components net of taxes (2)	Comprehensive income (3) = (1) +(2)

A. Undertakings controlled jointly

B. Undertakings subject to significant influence

1. Autosystem S.p.A.	X	13,966	1,325	78,061	2,073	58,815	X	X	1,822	1,092		1,092		1,092
2. Acirent S.p.A.	X	13	7,046	4,045	3,014	3,842	X	X	164	164		164		164
3. Help Line	X	3,164	12,708	303	15,570	30,506	X	X	891	677		677		677
4. Civiesco	X	8	1,295	554	749	14	X	X	2,120	1,876		1,876		1,876

The data in this table refers to the last available economic and equity position of the investee company, i.e., at 31 December 2025 for Autosystem società di servizi S.p.A. and at 31 December 2024 for the others.

7.5 Equity investments: annual changes

	Total 31/12/2025	Total 31/12/2024
A. Opening balance	10,266	10,167
B. Increases	276	99
B.1 Purchases	-	-
- of which business combinations	-	-
B.2 Write-backs	-	-
B.3 Revaluations	276	99
B.4 Other changes	-	-
C. Decreases	-	-
C.1 Sales	-	-
- of which business combinations	-	-
C.2 Value adjustments	-	-
C.3 Write-downs	-	-
C.4 Other changes	-	-
D. Closing balance	10,542	10,266
E. Total revaluations	-	-
F. Total adjustments	-	-

The amount shown in point B.4 of this table is attributable to the portion of the net profit realised by the company Autosystem società di servizi S.p.A. at 31 December 2025 which is included in the carrying amount as this, on the other hand, has been consolidated according to the equity method.

7.7 Commitments referring to equity investments in subsidiaries subject to joint control

At the reporting date, there are no commitments of the Group relating to equity investments in subsidiaries.

7.8 Commitments referring to equity investments in companies subject to significant influence

At the reporting date, there are no commitments of the Group relating to equity investments in companies subject to significant influence.

Section 9 - Property, plant and equipment - Item 90

9.1 Property, plant and equipment for business use: breakdown of assets measured at cost

Assets/Values	Total 31/12/2025	Total 31/12/2024
1. Owned assets	64,397	42,070
a) land	2,466	287
b) buildings	22,945	7,747
c) furniture	27,977	24,099
d) electronic systems	11,009	9,937
e) other	-	-
2. Rights of use acquired through leases	24,474	24,938
a) land	-	-
b) buildings	22,763	23,045
c) furniture	-	-
d) electronic systems	-	-
e) other	1,712	1,893
Total	88,872	67,008
of which: obtained through the enforcement of guarantees received	-	-

This table includes the information relating to the Rights of use acquired through leases, in accordance with the provisions of IFRS 16, which entered into force as from 01/01/2019, according to which property, plant and equipment include rights of use relating to buildings and/or other assets for which there is a lease agreement.

It should also be noted that, starting from 2014, the Group revalued the properties used for business use previously measured at cost.

Assets recorded under property, plant and equipment held for business use are depreciated over the useful life of the asset determined as follows:

Property for business use measured at cost	33 years and 4 months
Buildings - costs for leasehold improvements:	duration of the lease
Furniture - office equipment and machinery:	3 years
Furniture - hardware:	5 years
Furniture - ATMs	8 years
Furniture - cars/means of transport:	3 years
Furniture - furnishings:	6 years and 8 months
Furniture - office furniture:	8 years and 4 months
Plants - cabling:	4 years
Plants - telephone:	5 years
Plants - equipment:	6 years and 8 months
Plants - active safety:	3 years and 4 months
Plants - other:	13 years and 4 months

9.3 Property, plant and equipment for business use: breakdown of revalued assets

Assets/Values	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Owned assets	-	-	196,806	-	-	207,022
a) land	-	-	48,740	-	-	50,780
b) buildings	-	-	148,066	-	-	156,242
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
2. Rights of use acquired through leases	-	-	-	-	-	-
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
Total	-	-	196,806	-	-	207,022
of which: obtained through the enforcement of guarantees received	-	-	-	-	-	-

As indicated at the bottom of the previous table, as from the recognition at 31 December 2014, the properties used by the Group, previously measured at cost (Cost Model), are measured using the Revaluation Model system provided for by IAS 16.

The application of this method involves the recognition of the properties at a value equal to their fair value, netted in subsequent years of the effects of the depreciation of said value. IAS 16 requires that the frequency of revaluations depends on fluctuations in the fair value of the revalued property, plant and equipment. When the fair value of the revalued asset differs materially from its carrying amount, a further revaluation is required. Frequent revaluations are not required for property, plant and equipment that have only insignificant fluctuations in their fair value. It may then only be necessary to reassess the asset every three to five years.

It is recalled that at the time of the measurement of the assets at 31 December 2023, the fair value of the properties for business use owned by the Group was restated by an external independent appraiser. In the absence of further significant deviations in the fair value of the property, plant and equipment classified herein, no restatement was made as at 31 December 2025.

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

Assets/Values	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Owned assets	-	-	137,217	-	-	140,770
a) land	-	-	-	-	-	-
b) buildings	-	-	137,217	-	-	140,770
2. Rights of use acquired through leases	-	-	-	-	-	-
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
Total	-	-	137,217	-	-	140,770
of which: obtained through the enforcement of guarantees received	-	-	-	-	-	-

The deviation of the fair value amounts shown in the table is reconstructed in table 9.7 below.

ASSESSMENT PROCESS OF THE PROPERTY ASSETS OWNED BY THE GROUP

The fair value of investment property is calculated by independent external appraisers (ref. company Punto RE), with recognised professional expertise and who have built recent experience in the type of property, by location and category, subject to valuation.

Owned assets assessment process

The Independent Appraiser, as part of the process for the appraisal of owned assets, has mainly used the valuation criterion based on the Comparative Approach (Market Approach), the Income Approach and the Transformation Approach.

The main elements identifying the valuation methods used are described below:

- The Comparative (or Market) Approach: is based on the comparison between the property and other comparable assets with it, recently bought/sold or currently offered on the same market or on competing markets;
- Income Approach (Direct Capitalisation): is based on the determination of the market value of the unit by converting into a hypothetical value the annual income, deriving from existing leases or by default from estimated market rents (ERV) by means of a time correction factor better known as the capitalisation rate or Cap Rate representing the average ordinary yield required by operators in the real estate market of reference.
- Financial Approach (DCFA – Discount Cash Flow Analysis): is based on the determination of the market value of the unit by converting the net cash flows expected over a well-defined time horizon into a hypothesis of present value through a Discount Rate that represents, in percentage terms, the risk linked to the fact that the aforementioned cash flows are generated by the asset in question.
- Transformation Approach: is based on the discounting, at the valuation date, of the cash flows generated by the real estate transaction over the period of time corresponding to its duration. This method can be associated with a financial valuation model (discounting of cash flows) based on a development project defined in terms of building quantities, intended use, transformation costs and sustainable revenues. In

other words, a cost/revenue analysis is used to identify the Market Value of the property under investigation;

- **Cost Approach:** is based on the cost that would be incurred to replace the property in question with a new asset with the same characteristics and usefulness as the property itself. This cost must be decreased in consideration of the various depreciation factors deriving from the conditions observed: utility, state of use, functional obsolescence, useful life, residual life, etc. compared to new assets of the same type.

Properties in the process of being developed have been valued on the basis of the actual progress of the building works (construction sites at an advanced stage of completion) by means of a specific analysis of the value potential expressed by them at the end of the works in progress (ref. "Transformation Approach").

It should be noted that with regard to properties undergoing transformation for which a preliminary contract has been entered into, the Company evaluates the property using the sale price agreed between the parties less the transaction costs and, if the property is in a state of transformation and the sale takes place when the interventions are completed, also reducing the final costs.

Valuation technique and main unobservable inputs

The valuation technique used to measure the fair value of investment property and the main non-observable input data used in the valuation models is illustrated below.

Transformation approach

With regard to properties subject to transformation/enhancement, the market value of the property complex was obtained using the Transformation Method and therefore considering the projection of both the revenues from the sale of the property units and all the cost items involved in the transformation of the asset.

With reference to the category of the costs, by way of example and not limited to, construction costs, urban planning expenses, design / technical expenses, property taxation, insurance, sales fees, etc. are included.

The projections were made in current currency and in particular, the revenues and costs reported relating to real estate development were considered.

All cash flows generated are discounted at the current time with an appropriate discount rate.

The construction of the discount rate was obtained analytically or through the Build-up Approach, which allows the breakdown of the rate according to the individual components of the real estate risk or through WACC (Weighted Average Cost of Capital) considering the component deriving from Own Funds (40%) and by Third Parties (60%).

The interest rate component relating to Own Equity was obtained by considering percentage shares relating to Government Bonds (10-year Btp), Inflation, Illiquidity Risk, Initiative Risk and Urban Planning Risk.

The interest rate component relating to Third Party Equity was obtained by considering percentage shares relating to 6-month Euribor, Inflation, Spread.

The level of the discount rate is inferred from the current average conditions of the economic and financial context of the capital market (rates applied for real estate transactions), considering the real yield of low-risk, medium-long term financial assets, to which an upward or downward adjustment component was applied to take into account the characteristics of the asset.

The adjustment components used concern the risks linked to illiquidity, the characteristics of the initiative (size, type, intended use) and the urban planning situation. The adjustment components used, due to the way the discount rate is structured (with the promoter's profit being separated out as a cost item) can generally range from 0% to 5%; the value chosen depends on the risks inherent in the specific real estate transaction, where 0%

represents the zero risk, while 5% represents the maximum risk. The choice of the value linked to the individual risk also depends on the current situation of the local real estate market and the presence (and therefore also on the consequent performance) of comparable real estate initiatives.

9.6 Property, plant and equipment for business use: annual changes

	Land	Buildings	Furniture	Electronic systems	Other	Total
A. Opening gross balance	51,067	226,606	100,406	45,750	3,923	427,751
A.1 Total net impairment losses	-	39,572	76,307	35,813	2,030	153,721
A.2 Net opening balance	51,067	187,034	24,099	9,937	1,893	274,030
B. Increases:	140	25,074	9,726	2,801	873	38,613
B.1 Purchases	-	4,633	4,167	2,720	-	11,520
- of which business combinations	-	-	-	-	-	-
B.2 Capitalised improvement expenses	-	(5,979)	-	-	-	(5,979)
B.3 Write-backs	-	-	-	-	-	-
B.4 Positive changes in fair value charged to	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Transfers from properties held for investment purposes	140	300	X	X	X	440
B.7 Other changes	-	14,161	5,559	80	873	20,674
C. Decreases:	-	18,334	5,849	1,729	1,054	26,966
C.1 Sales	-	-	-	-	-	-
- of which business combinations	-	-	-	-	-	-
C.2 Amortisation and depreciation	-	11,671	5,833	1,477	1,028	20,010
C.3 Impairment losses recognised to	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.4 Negative changes in fair value charged to	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) property, plant and equipment held for investment purposes	-	-	X	X	X	-
b) non-current assets and groups of assets held for sale	-	-	-	-	-	-
C.7 Other changes	-	6,662	16	252	26	6,956
D. Net closing balance	51,206	193,774	27,977	11,009	1,712	285,678
D.1 Total net impairment losses	-	43,052	81,110	37,416	2,757	164,334
D.2 Gross closing balance	51,206	236,826	109,086	48,425	4,469	450,012
E. Measurement at cost	-	-	-	-	-	-

For the asset classes "Land" and "Buildings", both cost and revalued value are used as measurement criteria; see tables 9.1 and 9.3 above for the relevant opening and closing balances.

Since 2014, the Group has revalued the properties for business use by applying the Revaluation Model provided for in IAS 16. "Gross closing balance" includes advances paid by the Parent Bank and the subsidiary Banca di Cividale, for an overall amount of EUR 5,659 thousand, referring to the acquisition of various assets, for which the depreciation process has not yet begun.

The gross closing balance and the related impairment losses recognised in items D.1 and D.2 are not reflected in the changes for the period of the various asset classes due to the presentation of the derecognition of the value of discontinued assets at net values.

The amount in line B.2 is attributable to the capitalisation of costs for the year for the renovation of leased properties used as branches.

The "other changes" in lines B.7 and C.7 show any advances on restructuring paid in previous years and allocated to the correct asset category on completion of the works in the year ended 31 December 2025, as well as the gains/losses on disposal as per table 20.1 of the income statement.

9.7 Property, plant and equipment held for investment purposes: annual changes

	Total	
	Land	Buildings
A. Opening balance	-	140,770
B. Increases	-	6,722
B.1 Purchases	-	-
- of which business combinations	-	-
B.2 Capitalised improvement expenses	-	3,670
B.3 Positive changes in fair value	-	2,807
B.4 Write-backs	-	-
B.5 Exchange gains	-	-
B.6 Transfers from properties for business use	-	-
B.7 Other changes	-	245
C. Decreases	-	10,275
C.1 Sales	-	3,056
- of which business combinations	-	-
C.2 Amortisation and depreciation	-	-
C.3 Negative changes in fair value	-	1,916
C.4 Impairment losses	-	-
C.5 Exchange losses	-	-
C.6 Transfers to:	-	5,240
a) properties for business use	-	440
b) non-current assets and groups of assets held for sale	-	4,800
C.7 Other changes	-	63
D. Closing balance	-	137,217
E. Fair value measurement	-	-

9.9 Commitments for the purchase of property, plant and equipment

At the reporting date, there are no significant commitments of the Group for the purchase of property, plant and equipment, with the exception of the costs already expected in the plan for the restructuring of existing branches.

Section 10 - Intangible assets - Item 100

10.1 Intangible assets: breakdown by type of asset

Assets/Values	Total 31/12/2025		Total 31/12/2024	
	Definite life	Indefinite life	Definite life	Indefinite life
A.1 Goodwill	X	214	X	214
A.1.1 attributable to the group	X	214	X	214
A.1.2 attributable to minority interests	X	-	X	-
A.2 Other intangible assets	35,533	850	34,110	850
of which: software	31,319	-	29,411	-
A.2.1 Assets measured at cost:	35,533	850	34,110	850
a) Intangible assets generated internally	-	-	-	-
b) Other assets	35,533	850	34,110	850
A.2.2 Assets measured at fair value:	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	35,533	1,064	34,110	1,064

Assets generated internally are not recorded.

The amount of intangible assets with a definite life is broken down as follows:

- costs for software for EUR 31,319 thousand with a definite useful life of 4 years. This residual carrying amount will be amortised in the amount of EUR 7,657, 5,574, 2,693 and 1,026 thousand in the years 2026, 2027, 2028 and 2029; the item also includes advances of EUR 14,369 thousand paid for the acquisition of assets that have not yet been amortised.

The amount of Assets with "indefinite life" under item A.2.1 b) is attributable to the capitalisation of construction rights (building rights) associated with the sale of a portion of property held as investment by the Group.

The amount of Euro 214 thousand recorded under item A.1 Goodwill, as an intangible asset with an indefinite useful life, refers to the acquisition by the subsidiary Sparim, of the controlling interest in Sparkasse Energy Srl, and determined as the difference between the acquisition price and the net equity of the acquired company, after the "Purchase price allocation" activities required by IFRS 3.

10.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		Total
		DEF	INDEF	DEF	INDEF	
A. Opening balance	214	-	-	85,854	850	86,918
A.1 Total net impairment losses	-	-	-	(51,744)	-	(51,744)
A.2 Net opening balance	214	-	-	34,110	850	35,174
B. Increases	-	-	-	10,217	-	10,217
B.1 Purchases	-	-	-	10,217	-	10,217
- of which business combinations	-	-	-	-	-	-
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Write-backs	X	-	-	-	-	-
B.4 Positive changes in fair value	-	-	-	-	-	-
- to shareholders' equity	X	-	-	-	-	-
- to the income statement	X	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	-	-	-	8,794	-	8,794
C.1 Sales	-	-	-	-	-	-
- of which business combinations	-	-	-	-	-	-
C.2 Value adjustments	-	-	-	8,734	-	8,734
- Amortisation and depreciation	X	-	-	8,734	-	8,734
- Write-downs	-	-	-	-	-	-
+ shareholders' equity	X	-	-	-	-	-
+ income statement	-	-	-	-	-	-
C.3 Negative changes in fair value:	-	-	-	-	-	-
- to shareholders' equity	X	-	-	-	-	-
- to the income statement	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other changes	-	-	-	60	-	60
D. Net closing balance	214	-	-	35,533	850	36,598
D.1 Total net value adjustments	-	-	-	55,085	-	55,085
E. Gross closing balance	214	-	-	90,619	850	91,683
F. Measurement at cost	-	-	-	-	-	-

All intangible assets recognised in the financial statements are measured at cost.

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

Current tax assets

There are current tax assets of EUR 67,817 thousand, mainly for IRES and IRAP receivables and receivables from the conversion of taxable DTAs.

With reference to tax credits, it should be noted that their recognition is justified by the forecast of the realisation by the Banks and the Group of future taxable income against which they can be used.

Current taxes are determined by applying the IRES rate of 27.5% and the IRAP rate of 4.64% and 4.65% (respectively for Cassa di Risparmio di Bolzano and for CiviBank) to the respective taxable amounts as a result of the weighting between the IRAP rates applicable not only in the province of Bolzano but also in the province of Trento and in the regions of Veneto, Lombardy and Friuli Venezia Giulia where the two Banks' branches operate, based on the market shares of customer deposits. With reference to the Group company Sparim, the IRES and IRAP rates applied are 24.0% and 3.9%, respectively.

Deferred taxes are also calculated by applying the IRES rate of 27.5% to the taxable amount, whilst, with regard to the IRAP rate, in addition to the standard rate of 4.64% (for Sparkasse) and 4.65% (for Civibank), Article 1.74 of Italian Law No. 199/2025 has envisaged – on a transitional basis – a 2% increase applicable to certain financial intermediaries and insurance companies. This increase applies for the tax year following the one in progress at 31 December 2025 and the following two (and, therefore, for the three-year period 2026-2028). In this respect, the deferred taxation allocated for IRAP purposes (for Sparkasse and Civibank) on “timing” tax changes with a maturity/use identified in the three-year period 2026-2028 was adjusted to 6.64% and 6.65% respectively.

With regard to Sparim, the ordinary tax rates of 24% for IRES and 3.90% for IRAP apply to the taxable base.

In this regard, it is worth specifying that the 2016 Stability Law provided for the reduction of the IRES rate to 24%, with effect from the tax periods subsequent to the one in progress at 31 December 2016. However, this provision does not apply to credit institutions, which are required to increase the tax at a reduced rate of 3.5 percentage points. The surcharge, which negatively affects the tax burden of banks, was in any case also envisaged with the aim of not excessively penalising the banking system, effectively neutralizing the negative effect that the reduction in rate would have had on the large stocks of DTAs resulting from the deferred deductibility of write-downs and losses on receivables.

Current tax liabilities

At the reporting date, “Current tax liabilities” amounted to EUR 39,575 thousand and refer to the IRES tax payable from consolidation and IRAP 2025 of the various companies included in the statutory consolidation.

Details on the breakdown and change in the year of “Deferred tax assets” and “Deferred tax liabilities” are shown in the following tables.

11.1 Deferred tax assets: breakdown

	Taxable amount	Taxes
Value adjustments to loans to customers, deductible on a straight-line basis in the ten years following their recognition in the income statement	132,951	29,243
IRES tax loss	35,710	9,820
Allocation to the provision for risks on endorsement loans	14,232	3,995
Allocations not deducted from the Pension Fund	549	151
Other allocations to the provisions for risks and charges (revocation actions, lawsuits, deferred charges for staff not defined contractually, solidarity fund and sundry risks)	15,160	4,966
Redemption of goodwill of Millennium SIM S.p.A.	1,512	251
Goodwill from acquisition of the Banca Sella business unit	3,840	1,280
Other expenses with deferred deductibility	0	0
Measurement of financial assets and derivative instruments	41,866	11,618
Adjustments to property, plant and equipment and intangible assets	42,275	14,138
Write-down of IAS/IFRS receivables	6,122	653
Other IAS/IFRS adjustments	33,170	4,491
PPA allocation	13,642	4,351
Total	341,030	84,957

The amount of taxes indicated in the table refers to IRES for EUR 73,864 thousand and to IRAP for EUR 11,093 thousand.

"Convertible" Deferred Tax Assets

The balance of deferred tax assets at 31 December 2025 includes EUR 29,949 thousand of convertible DTAs.

Article 2, paragraphs 55 to 58, of Decree Law No. 225/2010 introduced the regulation of the tax credit deriving from the transformation of deferred tax assets ("DTA") recognised in the financial statements, relating to the write-downs and losses on deductible receivables pursuant to Article 106, paragraph 3, of the Italian Consolidated Law on Income Tax (TUIR) and relating to the value of goodwill and other intangible assets whose negative components are deductible for income tax purposes in several tax periods.

Subsequently, Article 9 of Decree Law No. 201/2011 ("Monti decree") made changes to the rules on the transformation of DTAs into tax credits, extending their scope and modifying the way in which the tax credit can be used compared to the original wording of the rule.

On 3 May 2016, the new decree law on banks was published in the Official Journal (Decree Law No. 59/2016) which introduced, among other things, changes to the regime for converting deferred tax assets into tax credits by the stakeholders (mainly credit institutions). In order to keep the conversion mechanism in place, the banks were required to pay an annual fee of 1.5% on the difference between the amount of the convertible deferred tax assets (increased by the taxes already converted) at 31 December 2015 and the taxes paid (IRES, IRAP) in the period between 2008 and 2015 (possibly increased for payments in subsequent periods). If the taxes paid exceeded the DTAs recorded in the financial statements (and those already converted), nothing was due. Vice versa, in order to continue to benefit from the tax relief pursuant to Article 2, paragraphs 55 to 57, of Decree Law No. 225/2010, the parties were required to exercise a special option by paying the new annual fee on the differences until 31 December 2029. If the option had not been exercised, for the purpose of regulatory provisions, the deferred tax assets under Law No. 214/2011 should have been treated as the other DTAs and therefore, among other things, deducted from own funds. The payment of the fee was an indispensable condition for the European Commission not to consider the DTA scheme as "State aid". Cassa di Risparmio di Bolzano decided to maintain the transformation method.

Finally, it should be noted that in sequence, first the 2019 Budget Law and then the 2020 Budget Law, by amending Article 16, paragraphs 3 - 4 and 8 - 9 of Decree Law No. 83/2015, provided that the deduction of the

portions of taxable DTAs on the amount of losses and write-downs on loans, for IRES and IRAP purposes, for credit and financial institutions and insurance undertakings in relation to previous tax periods, would be deferred and reformulated with reference to the reversal mechanism, providing for the first portion of deductibility for the 2020 tax period.

Subsequently, during the first part of 2022, the Government presented an amendment to the draft conversion law of Italian Decree Law No. 17/2022, which provided for the deferral of the deductibility envisaged for 2022 of the 12% share of negative components (write-downs and losses on receivables) pursuant to paragraphs 4 and 9 of Article 16 of Italian Decree Law No. 83/2015. This deferral replaces, without impact on public accounts, the one envisaged in Article 42, paragraph 1, of Italian Decree Law No. 17/2022, which referred to the deductibility of a 12% share in relation to 2021. In this way, the regulatory amendment avoided retroactive effects on the financial statements for the year 2021 and on other documents with external validity referring to 2021, already prepared or in the process of being drafted by the parties concerned by the deferral.

The deferral of the deductibility of a 12% share is recovered, on a straight-line basis, over the following 4 years. In order to ensure the financial neutrality of the amendment, it is envisaged that the deductibility of 10% of the negative components envisaged for 2026 is brought forward to 2022 for a portion equal to 5.3%.

Grafting on the complex regulatory framework outlined above, Article 1, paragraphs 14 - 15 of the 2025 Budget Law envisages the deferral, in constant instalments:

- to the tax period in progress on 31 December 2026 and the three following tax periods (from 2026 and to 2029 for taxpayers with a calendar tax year), of the 11% deduction provided for the tax period in progress on 31 December 2025;
- to the tax period in progress on 31 December 2027 and the two following tax periods (from 2027 and to 2029 for taxpayers with a calendar tax year), of the deduction of the 4.7% portion provided for the tax period in progress until 31 December 2026.

Paragraph 76 of the 2026 Budget Law further amends the legislation governing the deduction of negative items. Specifically, the 2026 Finance Act defers the deduction of a 3.80% portion, for the tax year ending on 31 December 2027, of the amount of negative components, envisaged, for IRES and IRAP purposes, on a straight-line basis, to the tax period ending on 31 December 2028 and the following one.

Recognition of DTAs and tax credits – probability test

It should be noted that with respect to both the DTAs recognised and the tax credits present as at 31 December 2025, the recognition is justified by the forecast of the realisation by the Banks and the Group of future taxable income against which they may be offset. In this regard, it should be noted that a probability test was performed with specific reference to the recovery of past losses realised by the subsidiary CiviBank.

Cassa di Risparmio di Bolzano S.p.A. tax audit

During 2023, the Bank was subject to a tax audit by the Revenue Agency of the Provincial Directorate of Bolzano in relation to Direct taxes, VAT and other taxes for the tax years from 2018 to 2021.

At the end of the audit, on 13 December 2023, a Report on Findings was notified containing remarks relating to the years 2020 and 2021.

The remarks contained in the Report on Finding refer to the following cases:

1. approach adopted by the Bank in the financial years 2020 and 2021 for the purposes of sterilising decreases in value adjustments on loans the Deferred Tax Assets of which were converted into tax credits in previous years;
2. taxation of some income components deriving from UCITS units, for IRAP purposes in 2020.

With regard to point 1, Sparkasse considers that the approach proposed by the Revenue Agency, in contrast to what the latter has done, is unprecedented and not in line with the albeit limited interpretative notions available on the subject, and has therefore taken action in the context of the contradictory procedure with the Agency in order to achieve the total cancellation of the finding. To this end, it specifies that, net of any interest and hypothetical penalties – which the Parent Bank does not, moreover, consider applicable due to objective conditions of uncertainty – the objections, relating to the timing of the reversals of the so-called “taxable DTAs”

concerning adjustments to loans to customers, do not entail a risk of having to recognise adverse financial effects in the Bank's financial statements.

On 19 November 2024, Cassa di Risparmio di Bolzano filed an application for assessment with the Provincial Directorate of Bolzano. As a result of this request, on 5 December 2024, the Bank received five notices to appear (of which, three for the tax year 2020 and two for the tax year 2021).

With reference to the case referred to in point 2. above, it should be noted that in numerical terms the amount subject to dispute is not significant.

The consultation with the Provincial Directorate of Bolzano, which began with an initial meeting held on 8 January 2025, continued throughout the financial year. At present, the technical grounds underlying the findings contained in the RoF are being examined in depth internally by the Italian Revenue Agency, not least in view of the general significance of the matter, which involves other leading Italian banks.

We would point out that, to date, no assessment notice has been issued by the Italian Revenue Agency (draft assessment and/or assessment notices). In light of this, and of the technical evidence supporting the Parent Bank's position, it is considered that, for the 2025 financial statements as well, the conditions set out in IAS 37 for the recognition of a provision for risks in relation to the dispute do not exist.

11.2 Deferred tax liabilities: breakdown

	Taxable amount	Taxes
Capital gains from disposal of property, plant and equipment	-	-
Capital gains from disposal of financial fixed assets	-	-
Deferred taxation on deferred tax reserves	-	-
Membership fees	-	-
Deferred taxation on reversal of IFRS 16 intra-group effects	-	-
Deferred taxation on FITD intervention Voluntary securitisation scheme	-	-
IAS adjustments to property, plant and equipment and intangible assets	28,464	8,893
Measurement of financial assets and derivative instruments	12,719	868
Capital gains on equity investments	-	-
PPA allocation	10,622	3,415
Other	1,393	391
Total	53,198	13,567

The amount of taxes indicated in the table refers to IRES for EUR 11,386 thousand and to IRAP for EUR 2,180 thousand.

11.3 Changes in deferred tax assets (with balancing entry in the income statement)

	Total 31/12/2025	Total 31/12/2024
1. Opening amount	85,578	121,813
2. Increases	9,134	16,070
2.1 Deferred tax assets recognised during the year	9,134	15,749
a) relating to previous years	-	-
b) due to changes in accounting policies	-	-
c) write-backs	-	-
d) other	9,134	15,749
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	321
3. Decreases	(16,014)	(52,304)
3.1 Deferred tax assets derecognised during the year	(9,584)	(47,330)
a) reversals	-	(47,330)
b) write-downs due to non-recoverability	-	-
c) change in accounting policies	-	-
d) other	(9,584)	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases:	(6,430)	(4,974)
a) transformation into tax credits pursuant to Law 214/2011	(6,331)	(2,066)
b) other	(99)	(2,908)
4. Closing amount	78,698	85,578

11.4 Changes in deferred tax assets pursuant to Law 214/2011

	Total 31/12/2025	Total 31/12/2024
1. Opening amount	37,993	58,554
2. Increases	843	-
3. Decreases	119	20,561
3.1 Reversals	-	20,561
3.2 Transformation into tax credits	117	-
a) deriving from losses for the year	-	-
b) deriving from tax losses	117	-
3.3 Other decreases	1	-
4. Closing amount	38,717	37,993

11.5 Changes in deferred tax liabilities (with balancing entry in the income statement)

	Total 31/12/2025	Total 31/12/2024
1. Opening amount	4,717	4,856
2. Increases	894	2,770
2.1 Deferred tax liabilities recognised during the year	894	2,770
a) relating to previous years	1	-
b) due to changes in accounting policies		-
c) other	893	2,770
2.2 New taxes or increases in tax rates		-
2.3 Other increases		-
3. Decreases	(253)	(2,909)
3.1 Deferred tax liabilities derecognised during the year		(252)
a) reversals		(252)
b) due to changes in accounting policies		-
c) other		-
3.2 Reductions in tax rates		-
3.3 Other decreases	(253)	(2,656)
4. Closing amount	5,359	4,717

11.6 Changes in deferred tax assets (with balancing entry to shareholders' equity)

	Total 31/12/2025	Total 31/12/2024
1. Opening amount	6,239	9,041
2. Increases	219	812
2.1 Deferred tax assets recognised during the year	97	812
a) relating to previous years	97	-
b) due to changes in accounting policies		-
c) other		812
2.2 New taxes or increases in tax rates		-
2.3 Other increases	122	-
3. Decreases	(199)	(3,614)
3.1 Deferred tax assets derecognised during the year		(1,535)
a) reversals		(1,535)
b) write-downs due to non-recoverability		-
c) due to changes in accounting policies		-
d) other		-
3.2 Reductions in tax rates		-
3.3 Other decreases	(199)	(2,078)
4. Closing amount	6,259	6,239

11.7 Changes in deferred tax liabilities (with balancing entry to shareholders' equity)

	Total 31/12/2025	Total 31/12/2024
1. Opening amount	7,940	7,944
2. Increases	546	309
2.1 Deferred tax liabilities recognised during the year	546	309
a) relating to previous years		-
b) due to changes in accounting policies		-
c) other	546	309
2.2 New taxes or increases in tax rates		-
2.3 Other increases		-
3. Decreases	(277)	(314)
3.1 Deferred tax liabilities derecognised during the year	(275)	(314)
a) reversals		(314)
b) due to changes in accounting policies		-
c) other	(275)	-
3.2 Reductions in tax rates		-
3.3 Other decreases	(3)	-
4. Closing amount	8,209	7,940

11.8 Other information

Tax situation

Please note that as from the 2023 tax period, a VAT Group has been established pursuant to Articles 70-bis to 70-duodecies of Presidential Decree No. 633 of 26 October 1972 and the related implementing Ministerial Decree of 6 April 2018, with validity for the three-year period 2023-2025 and renewed tacitly for the subsequent three-year period.

It should be noted that the Parent Bank Cassa di Risparmio di Bolzano acts as the VAT Group Representative, while the following companies are members: Banca di Cividale S.p.A., Sparim S.p.a., Sparkasse Energy S.r.l. and SPK OBG S.r.l..

In this regard, please be advised that, following the voluntary liquidation of Sparkasse Haus S.r.l. with effect from 1 January 2025, the company has been excluded by law from the VAT Group as from that date.

Furthermore, the Parent Bank participates, together with the subsidiaries Banca di Cividale S.p.A., Sparim S.p.A. and Sparkasse Haus S.r.l. in liquidation (the latter until FY 2025), in the "National tax consolidation" (also known as "CNM"), which will automatically renew at the end of the three-year period. In this regard, it should be noted that, from the 2025 fiscal year, Sparkasse Haus S.r.l. in liquidation will be excluded from the CNM following its dissolution on 9 December 2025. However, the income generated by Sparkasse Haus during the 2025 tax period will still be included in the calculation of group taxation.

With reference to the terms set forth for the assessment, it is specified that paragraphs 130, 131 and 132 of the 2016 Stability Law (Law 208/2015) have reformed the two parallel reference regulations: Article 57 of Presidential Decree 633/1972 and Article 43 of Presidential Decree 600/1973. The ordinary deadline for the notification of adjustment notices and assessment notices becomes 31 December of the fifth year following the year in which the declaration was submitted, and no longer the fourth. The extension of the deadline was also provided for in cases of omitted declaration and null declaration, moving from 31 December of the fifth year following the year in which the declaration should have been submitted to 31 December of the seventh year following the year in which the declaration should have been submitted.

The new provisions apply to assessment and adjustment notices relating to the 2016 tax period and subsequent ones. For the above-mentioned documents valid until 2015, on the other hand, the notification must be made, under penalty of forfeiture, in accordance with the previous regime, i.e. "by 31 December of the fourth year

following the year in which the declaration was submitted or, in cases of omitted declaration or of null declaration, by 31 December of the fifth year following the year in which the declaration should have been submitted".

The aforementioned Articles 43 and 57, in the version prior to Law No. 208/2015, envisage that, in the case of violations involving tax offences (i.e., those covered by Legislative Decree No. 74/2000), the deadlines of the fourth and fifth year following the submitted or omitted declaration are doubled with respect to the fiscal year in which the violation was committed; however, this doubling does not apply if the report by the tax authorities, including the Guardia di Finanza, is submitted or transmitted after the ordinary expiry of the above-mentioned deadlines. As of the year 2016 (statement to be submitted in 2017), the doubling of time limits for criminal violations was repealed.

The ordinary discipline for the forfeiture of taxation power was changed during the Covid-19 emergency period: the "Cura Italia" decree law (Art. 67 of Italian Decree Law No. 18/2020) gave more time to offices to carry out the assessment activities. In particular, the suspension of the terms was established for 85 days, in the period from 8 March 2020 to 31 May 2020. This led to the postponement of the forfeiture terms, for a corresponding period. The result is that the forfeiture term for the deeds expiring on 31 December 2020 was postponed to 26 March 2021, while, for the years from 2016 onwards, the same deferral of the forfeiture terms applies: the extension to 26 March (or on the 25th, for leap years) applies for all the years when the control activity was in progress or could be carried out in the period 8 March-31 May 2020. Therefore, the notification of assessment notices for the FY 2018, which must be served by 31 December 2024, must take into account the aforementioned extension set during the pandemic period. The 85-day suspension will no longer apply from 31 December 2025 (Article 22 of Legislative Decree 81/2025, *"From 31 December 2025, the suspension of the time limits referred to in Article 67.1 of Decree-Law No 18/2020 shall not apply to acts containing a tax claim, which may be challenged independently before the tax courts, issued by the Italian Revenue Agency"*). The legislative provision therefore suggests that the extension ceases to apply only for tax years ending on or after 31 December 2025, whilst it remains applicable where combined with other extension provisions.

Tax Control framework and cooperative compliance scheme

During the second half of 2025, the Parent Bank launched the "Tax Control Framework" project with a view to applying for admission to the Cooperative Compliance scheme (established by Italian Legislative Decree No. 128 of 5 August 2015, entitled "Provisions on legal certainty in relations between the tax authorities and taxpayers, implementing Articles 5, 6 and 8.2 of Italian Law No. 23 of 11 March 2014") by 31 December 2026.

This scheme is reserved for taxpayers equipped with an effective integrated system for the detection, measurement, management and control of tax risk, understood as the risk of operating in breach of tax regulations or in conflict with the principles or objectives of the tax system ("Tax Control Framework" or "TCF").

In this regard, the Board of Directors approved the Sparkasse Group's Tax Strategy Policy at the meeting on 2 December 2025. This policy forms the first pillar upon which the Tax Control Framework (TCF) is based. The policy sets out the principles adopted by the Sparkasse Group with regard to the management of tax-related matters and the strategic guidelines designed to ensure compliance with tax legislation.

Section 12 - Non-current assets and groups of assets held for sale and associated liabilities - Item 120 of assets and item 70 of liabilities

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

	Total 31/12/2025	Total 31/12/2024
A. Assets held for sale		
A.1 Financial assets	-	6,687
A.2 Equity investments	-	-
A.3 Property, plant and equipment	4,800	-
of which: obtained through the enforcement of guarantees received	-	-
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total (A)	4,800	6,687
<i>of which measured at cost</i>	-	-
<i>of which measured at fair value level 1</i>	-	-
<i>of which measured at fair value level 2</i>	-	-
<i>of which measured at fair value level 3</i>	4,800	6,687
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or loss	-	-
- financial assets held for trading	-	-
- financial assets designated at fair value	-	-
- other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortised cost	46	46
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: obtained through the enforcement of guarantees received	-	-
B.6 Intangible assets	-	-
B.7 Other assets	1,133	366
Total (B)	1,179	411
<i>of which measured at cost</i>	1,133	366
<i>of which measured at fair value level 1</i>	-	-
<i>of which measured at fair value level 2</i>	-	-
<i>of which measured at fair value level 3</i>	46	46
C. Liabilities associated with assets held for sale		
C.1 Payables	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total (C)	-	-
<i>of which measured at cost</i>	-	-
<i>of which measured at fair value level 1</i>	-	-
<i>of which measured at fair value level 2</i>	-	-
<i>of which 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	(413)	(455)
D.5 Other liabilities	(31)	(72)
Total (D)	(444)	(527)
<i>of which measured at cost</i>	(444)	(527)
<i>of which measured at fair value level 1</i>	-	-
<i>of which measured at fair value level 2</i>	-	-
<i>of which measured at fair value level 3</i>	-	-

The amounts recognised under item A.3 Property, plant and equipment relate to the value of a property held by the Group as an investment, located in Merano, for which binding agreements regarding its sale are already at an advanced stage.

The remaining figures shown in Table 12.1 refer to the reclassification of the assets and liabilities of Raetia SGR S.p.A. in liquidation.

12.2 Other information

With reference to the equity investment in Raetia SGR S.p.A. in liquidation, it should be noted that although it falls within the scope of consolidation, the total Assets and Liabilities as well as the income statement results were respectively classified under the items "Non-current assets and groups of assets held for sale", "Liabilities associated with assets held for sale" and "Gains (losses) from groups of assets held for sale" for their carrying amount after the entries of elimination and consolidation as a company in liquidation.

Section 13 - Other assets - item 130

13.1 Other assets: breakdown

	31/12/2025	31/12/2024
Tax credits	150,357	208,365
- Tax credits for purchased "eco-bonus" and "seismic bonus"	137,344	208,119
- Interest portion	-	-
- Principal portion	13,013	246
Receivables from tax authorities for advances paid	25,347	21,217
Withholding taxes incurred	1,842	2,232
Items in progress	87,311	97,698
- utilities to be charged to customers	55,511	58,520
- current account cheques	5,056	4,981
- other	26,744	34,197
Pensions fund investment management account, Sec. A/A1	3	74
Receivables from special purpose vehicles, Italian Law 130	81,202	104,519
Sundry assets and receivables	99,913	96,496
Total	445,974	530,600

Total Other Assets decreased considerably by EUR 84.6 million. The main changes are represented by i) the reduction of tax credits from eco and sismabonus purchased by the Group's two Banks by virtue of the provisions of the "Relaunch Decree" of July 2020, which has introduced this tax relief for taxpayers, who are given, among other things, the possibility of assigning their tax credit accrued on building renovation works for the purpose of both energy efficiency and seismic protection for an amount of (EUR -70.8 million); these credits are stated at their amortised cost; ii) the increase in credits due from the tax authorities for advances paid (EUR +4.1 million), and the principal portion of tax credits (EUR +12.8 million); iii) by the items in progress, which decreased by a total of EUR 10.4 million iv) by the decrease in credits from securitisation special purpose vehicles in accordance with Law No. 130 in the amount of EUR 23.3 million, an item that includes cash flows to and from SPV Fanes, SPK OBG SPV and Civitas SPV, the latter being a vehicle of the subsidiary Banca di Cividale.

The item "Pensions fund investment management account, Sec. A/A1" includes the liquidity of the fund and the actuarial adjustments of the mathematical reserve recalculated from year to year against the valuation of the residual payable to members, determined by actuarial estimates.

Liabilities

Section 1 - Financial liabilities measured at amortised cost - item 10

1.1 Financial liabilities measured at amortised cost breakdown by type of due to banks

Type of transactions/Values	Total 31/12/2025				Total 31/12/2024			
	CA	Fair value			CA	Fair value		
		L1	L2	L3		L1	L2	L3
1. Due to central banks	551,698	X	X	X	702,762	X	X	X
2. Due to banks	609,171	X	X	X	691,812	X	X	X
2.1 Current accounts and demand deposits	8,533	X	X	X	24,259	X	X	X
2.2 Term deposits	50,720	X	X	X	35,470	X	X	X
2.3 Loans	548,725	X	X	X	630,541	X	X	X
2.3.1 Repurchase agreements	269,547	X	X	X	338,001	X	X	X
2.3.2 Other	279,178	X	X	X	292,540	X	X	X
2.4 Payables for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease payables	1,194	X	X	X	1,542	X	X	X
2.6 Other payables	-	X	X	X	-	X	X	X
Total	1,160,869	-	-	1,159,144	1,394,574	-	-	1,403,127

The item "Due to central banks" refers to Open Market Operations (OMA), offered by the European Central Bank against the provision of related guarantees. As at 31 December 2025, the Group had refinancing operations outstanding with the Eurosystem totalling EUR 550 million. Specifically, and with regard to the Parent Bank, EUR 125 million was drawn down through a Main Refinancing Operation (MRO) with a 15-day maturity, whilst the remaining EUR 150 million was obtained through a Longer-Term Refinancing Operation (LTRO) with a three-month maturity. The subsidiary CiviBank also made use of Eurosystem funding operations; as at 31 December, it held an LTRO facility amounting to EUR 275 million. These operations were carried out with the aim of ensuring an adequate supply of liquidity in view of possible fluctuations, typically encountered towards the end of the year, particularly in relation to the needs of corporate customers.

The item "Loans" refers entirely to the amount of funding obtained by the European Investment Bank for the refinancing of specific SME projects.

In consideration of the prevailing short-term duration of due to banks, the related fair value is conventionally taken to be equal to the carrying amount.

1.2 Financial liabilities measured at amortised cost: breakdown by type of due to customers

Type of transactions/Values	Total 31/12/2025				Total 31/12/2024			
	CA	Fair value			CA	Fair value		
		L1	L2	L3		L1	L2	L3
1. Current accounts and demand deposits	9,480,755	X	X	X	8,701,350	X	X	X
2. Term deposits	1,570,247	X	X	X	2,004,356	X	X	X
3. Loans	308,379	X	X	X	460,248	X	X	X
3.1 Repurchase agreements	274,647	X	X	X	429,094	X	X	X
3.2 Other	33,732	X	X	X	31,153	X	X	X
4. Payables for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
5. Lease payables	24,590	X	X	X	24,856	X	X	X
6. Other payables	603,067	X	X	X	513,281	X	X	X
Total	11,987,038	-	-	11,859,172	11,704,091	-	-	11,724,248

The overall comparison figure between the amounts at the end of the period and the figures at the end of the previous year shows an increase of EUR 282.9 million (+2.4%).

Item 3.1 includes the amounts of loans payable (Classic Repo) made on the MTS Repo platform both by the Parent Bank in the amount of EUR 180.4 million and by the subsidiary CiviBank in the amount of a further EUR 94.2 million. At the end of the 2024 financial year, this type of funding amounted to EUR 429.1 million, and thus recorded a decrease of EUR 154.5 million, replaced in part by repurchase transactions with underlying guaranteed bonds of own issuance, which are therefore shown under "Securities issued" in Table 1.3 below.

The item "Loans - Other" mainly refers to the amount of funding obtained in several tranches from Cassa Depositi e Prestiti to be used for the subsequent subsidised financing to SMEs.

Point 5. Lease payables, effective 01.01.2019, include amounts arising from leases subject to IFRS 16, according to which, when a right to use an asset is recognised as an asset, the discounted amount of the lease payments contractually agreed must be recognised as a liability.

The item "Other payables" refers to the funding from "third-party funds under administration" related to the subsequent disbursement of loans to customers by virtue of agreements entered into with Public Administration entities (Regions, Provinces and Municipalities) for an amount of EUR 44.7 million managed by the Parent Bank and a further EUR 418.6 million managed by the subsidiary CiviBank.

This item also includes the amount payable to investors arising from a synthetic securitisation transaction set up by the Parent Bank at the end of 2023, amounting to EUR 59.7 million, as well as the payables recorded by the subsidiary Banca di Cividale in respect of the sale on the market of the senior notes of the fifth securitisation transaction structured using the Civitas vehicle, originally amounting to EUR 80 million, carried out at the end of 2025, and having a residual amount, as at 31 December 2025, of EUR 79.9 million.

In consideration of the prevailing short-term duration of due to customers, the related fair value is conventionally taken to be equal to the carrying amount.

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

Type of securities/Values	Total				Total			
	31/12/2025				31/12/2024			
	CA	Fair value			CA	Fair value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. bonds	811,341	-	991,217	-	690,465	-	711,051	-
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	811,341	-	991,217	-	690,465	-	711,051	-
2. other securities	-	-	-	-	-	-	-	-
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	-	-	-	-	-	-	-	-
Total	811,341	-	991,217	-	690,465	-	711,051	-

The item "Bonds" recorded an increase of EUR 120.9 million, and includes, in the amount of EUR 612.2 million, certain "long term repo" transactions with underlying own bonds entered into by the Parent Bank, which, based on the provisions of Circular No. 272 of the Bank of Italy, must be reported and accounted for not as repurchase agreements, but as a new placement on the market of own securities previously repurchased, with a commitment to repay on the transaction's maturity. The bonds used as underlying assets for the above-mentioned long term repo transactions refer to three Covered Bond issues from Sparkasse and fully withheld, amounting in total EUR 800 million.

In July 2025, Sparkasse issued and placed on the market a "green bond" with a nominal value of EUR 100 million and maturing in July 2031.

The above table includes an issue of a lower tier 2 subordinated bond for EUR 37 million.

There were no repurchases of the remaining bonds issued.

1.3.1 Due to customers subject to micro hedging

This table is not shown since neither in the year ended 31 December 2025 nor in the previous year were there any due to customers that were micro hedged.

1.4 Details of payables/subordinated securities

The class 2 subordinated bonds issued by the Parent Bank consist of Lower Tier II subordinated liabilities issued on 3 October 2022 with a nominal amount of Euro 37 million.

Details of subordinated liabilities outstanding at 31 December 2024 are provided below (amounts in euro):

ISIN	Nom. amount in euro	Carrying amount	Date of issue	Expiry date	Interest rate
IT0005509960	37,000,000	37,572,972	03/10/2022	03/10/2032	Fixed rate at 6.50% until 03.10.2027; for the next 5 years, the 5-year Eur mid-swap rate increased by the initial margin of 399.3 bps.

There are no repurchases in ownership of these subordinated bond issues.

Securities issued subject to micro hedging

At 31 December 2025 and at the end of the previous year, there were no outstanding bond issues and/or certificates of deposit whose interest rate risk was hedged with specific derivative instruments and accounted for in accordance with the fair value hedging rules set out in IAS 39.

Section 2 - Financial liabilities held for trading - item 20

2.1 Financial liabilities held for trading; breakdown by type

Type of transactions/Values	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value *	NV	Fair value			Fair value *
		L1	L2	L3			L1	L2	L3	
A. On-balance sheet liabilities										
1. Due to banks	-	-	-	-	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total (A)	-	-	-	-	-	-	-	-	-	-
B. Derivative instruments										
1. Financial derivatives	-	-	147	-	-	-	-	551	-	-
1.1 Trading	X	-	147	-	X	X	-	551	-	X
1.2 Related to the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Related to the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	X	-	147	-	X	X	-	551	-	X
Total (A+B)	X	-	147	-	X	X	-	551	-	X

Key:

NV = nominal or notional value

L1 = Level 1

L2 = Level 2

L3 = Level 3

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

The trading financial derivatives in this table refer to the fair value of foreign currency commitments held by the two Banks of the Group at the end of the period.

Section 3 - Financial liabilities designated at fair value - Item 30

This table is not reported as at 31 December 2025 and 31 December 2024, the Group had no financial liabilities designated at fair value, as a result of the application of the fair value option exercisable on bonds issued and whose interest rate risk is hedged by derivative contracts.

Section 4 - Hedging derivatives - item 40

4.1 Hedging derivatives: breakdown by type of hedge and by level

	Fair value 31/12/2025			NV 31/12/2025	Fair value 31/12/2024			NV 31/12/2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	-	7,663	-	431,427	-	30,576	-	764,713
1) Fair value	-	7,663	-	431,427	-	30,576	-	764,713
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	7,663	-	431,427	-	30,576	-	764,713

This table shows the negative fair values of hedging derivatives.

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

Transactions/Type of hedge	Fair value							Cash flows		Foreign investments
	Micro						Macro	Micro	Macro	
	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	-	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	925	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	6,738	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total Assets	925	-	-	-	-	-	6,738	-	-	-
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 6 - Tax liabilities — Item 60

Information on "Tax liabilities" is provided in section 11 of Assets together with "Tax assets".

Section 7 - Liabilities associated with assets held for sale - Item 70

The information on the data regarding "Liabilities associated with assets held for sale" is provided in section 12 of the Assets together with that of "Non-current assets and groups of assets held for sale and associated liabilities".

Section 8 - Other liabilities - Item 80

8.1 Other liabilities: breakdown

	31/12/2025	31/12/2024
Payables to tax authorities	12,806	17,750
Social security contributions to be paid	4,803	4,664
Amounts to be paid to tax authorities on behalf of third parties	14,641	26,261
Amounts due to third parties	3,810	6,066
Suppliers - invoices to be paid/received	32,630	40,914
Items in progress	48,805	54,088
- Bank transfers	34,108	37,174
- Other	14,697	16,914
Currency spreads on portfolio transactions	136,349	129,851
Employee deferred charges, withholdings to be paid	9,971	14,247
Sundry liabilities and payables	79,109	66,490
Total	342,922	360,330

The item "Other liabilities" decreased by EUR 17.4 million (-4.8%) compared to the previous financial year. Among the main changes, there has been a reduction in amounts payable to the tax authorities on behalf of third parties (down EUR 11.6 million), where mandates for F24 forms to be remitted have fallen, as have withholding taxes on restructuring transactions. There has also been a decrease in amounts recorded as invoices receivable for payables to suppliers (down EUR 8.3 million). On the other hand, there has been an increase in portfolio transactions, bills transferred (EUR +6.5 million) and other liabilities, including certain suspense accounts relating to the settlement of securities order collection transactions from customers.

As per the comments included in paragraph 8.15 of the "Other significant information", it should be noted that, following the exercise by Sparkasse and Banca di Cividale of the option to release the extra-profit reserve under Italian Decree Law No. 104/2023, a liability (item "Payables to tax authorities") has been recognised in the 2025 financial statements in respect of the obligation to pay the substitute tax at a rate of 27.5% of the same reserve existing at the end of the 2025 financial year (with a consolidated liability of EUR 11,220 thousand).

Section 9 - Employee severance indemnity - Item 90

9.1 Employee severance indemnity: annual changes

	Total 31/12/2025	Total 31/12/2024
A. Opening balance	1,861	2,474
B. Increases	7,607	7,255
B.1 Allocations for the year	7,511	7,210
B.2 Other changes	97	44
- of which business combinations	-	-
C. Decreases	(7,648)	(7,868)
C.1 Payments made	(58)	(632)
C.2 Other changes	(7,589)	(7,236)
- of which business combinations	-	-
D. Closing balance	1,820	1,861
Total	1,820	1,861

The balance of the item is attributable to the portions of the employee severance indemnity relating to:

- staff acquired with the Kärntner Sparkasse Italia business unit for Euro 42 thousand;
- staff acquired with the former Banca Sella business unit, for EUR 92 thousand;
- the employees of the consolidated Sparim, for EUR 6 thousand;
- the employees of the consolidated CiviBank, for EUR 1,680 thousand.

These shares are intended for the moment to remain within Cassa di Risparmio di Bolzano for the first three points outlined above and within CiviBank for the part pertaining to them.

The regulations of the Pension Fund "Section B" for current staff, on the other hand, allow members, including those with fixed-term contracts, to allocate the portions of employee severance indemnity accrued to said Pension Fund. At 31 December 2025, this treatment is still reserved only to employees of the Cassa di Risparmio di Bolzano Group in its configuration prior to the entry of CiviBank.

The allocation for the year to employee severance indemnity (line B.1) is therefore recorded in the income statement (see table 10.1 below of the income statement "Personnel expenses") net of transfers to the defined contribution pension fund (Section B) included in line C.2.

Section 10 – Provisions for risks and charges – item 100

10.1 Provisions for risks and charges: breakdown

Items/Components	Total 31/12/2025	Total 31/12/2024
1. Provisions for credit risk relating to commitments and financial guarantees issued	14,232	14,692
2. Provisions for other commitments and other guarantees issued	-	-
3. Company pension funds	33,279	36,203
4. Other provisions for risks and charges	18,246	20,084
4.1 legal and tax disputes	4,900	6,404
4.2 staff expenses	12,111	11,365
4.3 other	1,235	2,316
Total	65,756	70,979

The balance of the item "Company pension funds" refers to the amounts of the internal supplementary pension fund to the Parent Bank, as regards the defined benefit portion. In this respect, see paragraph 10.5 below.

The "Provision for legal disputes" includes the allocations for any possible lawsuits against the companies of the Group.

To this end, it should be noted that, with reference to the claims for compensation for damages made by third parties against Raetia SGR S.p.A. in liquidation, and in the alternative to the Parent Bank as the claimant responsible for the management and coordination activities exercised against the same SGR, allocations were made in the presence of events deemed possible, but with an amount that cannot be reliably estimated, based on legal opinions obtained from the subsidiary.

The "Provision for staff expenses" includes the allocation for the seniority bonus to staff, a lump-sum allocation for the productivity bonus under the national labour agreement and, to a residual extent, deferred charges to be paid to staff.

Among other provisions, the allocation to the provision for "Risks related to the operations carried out by the Bank and the Group" amounted to EUR 930 thousand, and refers to operational risks associated with the two Banks' financial brokerage activities as well as the real estate development and brokerage activities of the Sparim Group company.

This amount includes:

- an amount of EUR 8 thousand, representing the outstanding balance arising from a branch inspection carried out by the Bank of Italy regarding banking transparency;
- an amount of EUR 49 thousand, against possible complaints and/or lawsuits related to the "Lexitor ruling", estimated on the basis of the early repayments of consumer loans in the period 2013-2022, for which the expenses relating to the period when they no longer used the loan could have been repaid to subscribers;
- an amount of EUR 250 thousand as a provision for a variable price component linked to the sale of a property located in Corvara in Badia by the real estate company Sparim;
- an amount equal to EUR 73 thousand related to the risks of higher charges that could occur in relation to the significant real estate development activities that Sparim is carrying out on some real estate complexes purchased for development and subsequent sale purposes;
- an amount of EUR 550 thousand relating to various CiviBank risks.

An additional residual amount of EUR 148 thousand was recognised for potential CiviBank lawsuits noted by the Parent Bank as part of the Purchase Price Allocation (PPA) process.

With regard to the allocations made by the subsidiary Banca di Cividale, the provisions for risks and charges include, among others:

- "legal disputes" which mainly refers to risks related to the Bank's financial intermediation activities. The main items relate to (i) investment services in the amount of EUR 147 thousand, (ii) banking services and bankruptcy revocation actions in the amount of EUR 427 thousand, and (iii) grievances and summonses in the amount of EUR 372 thousand;
- "other provisions for risks and charges" which includes a provision of EUR 74.1 thousand, against possible grievances and/or lawsuits related to the "Lexitor ruling", estimated on the basis of the early repayments of consumer loans in the period 2013-2022, for which the expenses relating to the period when they no longer used the loan could have been repaid to subscribers.

10.2 Provisions for risks and charges: annual changes

	Provisions for other commitments and other guarantees issued	Pension funds	Other provisions for risks and charges	Total
A. Opening balance	-	36,203	20,084	56,287
B. Increases	-	2,238	12,699	14,937
B.1 Allocation for the year	-	-	12,699	12,699
B.2 Changes due to the passage of time	-	57	-	57
B.3 Changes due to changes in the discount rate	-	-	-	-
B.4 Other changes	-	2,181	-	2,181
- of which business combinations	-	-	-	-
C. Decreases	-	5,162	14,537	19,700
C.1 Use during the year	-	5,162	14,537	19,700
C.2 Changes due to changes in the discount rate	-	-	-	-
C.3 Other changes	-	-	-	-
- of which business combinations	-	-	-	-
D. Closing balance	-	33,279	18,246	51,524

10.3 Provisions for credit risk related to commitments and financial guarantees issued

	Provisions for credit risk relating to commitments and financial guarantees issued				
	First stage	Second stage	Third stage	Purchased or originated impaired	Total
Commitments to disburse funds	861	1,064	-	-	1,926
Financial guarantees issued	388	2,075	9,843	-	12,306
Total	1,249	3,139	9,843	-	14,232

With the introduction of the IFRS 9 accounting standard, effective 01.01.2018, the guarantee margins and endorsement loans were also subject to allocation.

10.5 Company's defined benefit pension funds

10.5.1 Explanation of the characteristics of the funds and related risks

The defined benefit pension fund consists of two sections (Sections A and A1), both in the disbursement phase, which guarantee to retired members a supplementary treatment of the gross benefits provided by INPS.

As from 1 April 2003, a separate asset was set up in debt securities and UCITS for the investment of the liquidity generated by the fund. The positions of the members are managed in individual accounts in the name of the single members.

In relation to the incorporation, in 1999, of Credito Fondiario Bolzano S.p.A., an additional defined benefit fund was added to the internal fund regarding the retired employees of the former Credito Fondiario Trentino-Alto Adige S.p.A., which guarantees to the same, for the portion pertaining to Cassa di Risparmio di Bolzano (50%), a supplementary treatment of the mandatory pension.

For both funds, the liability deriving from the benefits due to the members of the funds is measured on the basis of an independent actuarial appraisal in order to determine the technical reserves to be allocated to cover future pension benefits.

10.5.2 Changes during the year in net defined benefit liabilities (assets) and reimbursement rights

	Pension Fund Sec. A/A1	Pension Fund Former Credito Fondario Bolzano	Total
Balance at 31/12/2024	35,802	401	36,203
Revenues			
Allocation of gross return on investment	2,181	-	2,181
Adjustment of expected/actual return difference	-	-	-
Adjustment of actuarial estimates	-	57	57
Acquisition from other funds	-	-	-
Other revenues	-	-	-
Total revenues	2,181	57	2,238
Expenses			
Pensions paid	(3,753)	(59)	(3,812)
Allocation of gross investment loss	-	-	-
Adjustment of expected/actual return difference	-	-	-
Adjustment of actuarial estimates	(1,351)	-	(1,351)
Other expenses	-	-	-
Total expenses	(5,103)	(59)	(5,162)
Balance at 31/12/2025	32,879	399	33,279

10.5.3. Information on the fair value of plan assets

The table below shows the changes in the exercise of the plan assets; the financial assets constituting "plan assets" present in the portfolio of the Pension Fund (Sections A and A1) are all included in levels 1 and 2 of the fair value hierarchy, since these are securities contributed for IAS purposes.

	Debt securities	UCITS units	Total
Opening balance	30,049	7,598	37,647
B. Increases	16,160	1,793	17,953
B.1 Purchases	15,604	-	15,604
B.2 Positive changes in fair value	180	1,793	1,973
B.3 Other changes	376	-	376
C. Decreases	(20,906)	-	(20,906)
C.1 Sales	(20,304)	-	(20,304)
C.2 Refunds	200	-	200
C.3 Negative changes in fair value	(129)	-	(129)
C.4 Other changes	(272)	-	(272)
D. Closing balance	25,303	9,391	34,694

The financial statements include assets and liabilities referring to the defined benefit pension fund (Sections A and A1), which can be summarised as follows:

	31/12/2025
Assets	
Investments in securities	(34,694)
Investments in liquidity	(3)
Adjustment for actuarial estimates	-
Tax credit	-
Total Assets	(34,697)
Liabilities	
Pension Fund	32,879
Payables to tax authorities for substitute tax	467
Other liabilities of financial management	1,351
Total Liabilities	34,697

10.5.4 Description of the main actuarial assumptions

The actuarial valuation of the Mathematical Reserve of the Pension Fund (Sections A and A1) was carried out by adopting the following demographic and economic-financial assumptions:

a) Demographic assumptions: for the probabilities of death, those relating to the Italian population as measured by ISTAT, broken down by gender;

b) Economic and financial assumptions: the valuations are made on the basis of the following assumptions:

- annual discount rate of 1.50% and
- For the purposes of the prospective indexation of pension benefits paid by the Fund and by INPS, reference has been made to the 2025 Public Finance Policy Document approved by the Council of

Ministers on 2 October 2025, which forecasts annual inflation of 1.5% for 2026, a figure assumed to remain unchanged in subsequent years as well.

10.6 Provisions for risks and charges – other provisions

	31/12/2025	31/12/2024
Legal disputes		
Foreseeable liabilities, determined analytically and with the support of the Group's lawyers, in respect of pending judicial and out-of-court actions in which the Group is a taxable person	4,456	5,939
Indemnity in lieu of notice	139	139
Hedging of risks deriving from revocation actions	305	326
Total Provisions for legal disputes	4,900	6,404
Staff expenses		
"Deferred charges" to be paid to Staff in the next year	10,766	10,092
Charges relating to staff seniority bonus	1,344	1,273
Charges related to the "slip manoeuvre"	-	-
Total Provisions for staff expenses	12,111	11,365
Other		
Operational risks related to financial brokerage activities carried out by the Bank	930	1,955
Coverage of the risk of death/disability of members of the Pension Fund Section B	300	300
Commitments to Equitalia S.p.A. (Article 11 Sale agreement)	5	61
Total "Sundry" provisions	1,235	2,316
Total Other Provisions	18,246	20,084

The amounts allocated were not discounted as the time element of the financial regulation is either not significant or the date of commitment of the resources cannot be reliably estimated.

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

For information on the qualitative nature and composition of the Group's equity, please refer to the following "Information on consolidated shareholders' equity".

13.1 "Capital" and "Treasury shares": breakdown

The item "Capital" consists of 59,940,038 ordinary shares with a par value of EUR 7.70 each, broken down as follows:

no.	30,000,000	shares pertaining to the contribution made in 1992 (Law 218/90);
no.	2,500,000	shares relating to the capital increase carried out in 1994;
no.	3,500,000	shares deriving from the conversion of the bond issued in 1994, fully subscribed in 1997 by the Bayerische Landesbank of Munich;
no.	4,500,000	shares relating to the capital increase carried out on 21 December 2012;
no.	20,452,013	shares relating to the capital increase carried out on 18 December 2015.
no.	(1,011,975)	shares cancelled following an application sent to the Bank of Italy on 22 December 2023 and subsequently supplemented in substance by communications dated 7 and 11 March 2024, concerning the request for the cancellation of treasury shares held in the portfolio.
no.	40,000	shares arising from the conversion of a nominal EUR 500 thousand of the Additional Tier 1 perpetual bond convertible into shares, which took place following the exercise of conversion rights by two bondholders as approved by the Bank's Board of Directors on 24 June 2025.

It should be noted that starting from 7 August 2015, in execution of the resolution passed by the Extraordinary Shareholders' Meeting of 28 April 2015, the split of the shares of Cassa di Risparmio S.p.A. was launched in a ratio of 1:10 (ten new shares for an old share). The allotment date for the new securities was set for 26 August 2015.

In connection with this split transaction, the number of shares of the first four transactions described above is multiplied by ten.

The nominal amount of Euro 7.70 derives from the Share Capital increase of Euro 79,200,000, resolved by the Shareholders' Meeting on 27 April 2012, through the use of reserves already established.

The item "Treasury shares", recorded as a reduction of Shareholders' Equity at 31 December 2025, consists of 268,696 ordinary shares of Cassa di Risparmio di Bolzano S.p.A. (held at an average price of EUR 12.222 per share).

In a letter dated 4 December 2024, supplemented by further communications dated 24 February 2025, 28 March 2025 and 31 March 2025, the Bank submitted an application to the Bank of Italy for authorisation to repurchase Common Equity Tier 1 instruments (treasury shares) in accordance with Articles 77 and 78 of EU Regulation No 575/2013 (CRR) and Article 29 of EU Regulation No 241/2014, for a maximum amount of EUR 9 million, in order to support liquidity in the market for its own shares.

On 4 April 2025, following the request made by Cassa di Risparmio di Bolzano, the Bank of Italy granted authorisation to amend the ceiling for the repurchase of instruments eligible for inclusion in Common Equity Tier 1 capital, from the previous EUR 15 million to EUR 9 million.

On the basis of these authorisations, in 2025 the Bank has repurchased 186,316 shares at an average price of EUR 12.22 each and resold 161,447 treasury shares at an average unit price of EUR 13.65, a number which includes 73,724 shares distributed when the dividend was paid on under option to the cash dividend.

It should be noted that on 28 April 2015, the Company's extraordinary general meeting resolved, by means of an appropriate amendment to the Articles of Association, to grant the Board of Directors the power to issue bonds convertible into ordinary shares of the Company. On 8 September 2015, as part of the paid-up capital increase, the Board of Directors also resolved to issue Additional Tier 1 convertible subordinated bonds, establishing a conversion ratio of 8,000 ordinary shares for each AT1 convertible bond with a par value of EUR 100,000. On 21 December 2015, a total of EUR 45,200,000 (nominal value) of these bonds was subscribed. In May and June 2025 respectively, two of the subscribers requested the conversion of the bonds held into shares, for a total of 40,000 new shares in exchange for bonds with a nominal value of EUR 500 thousand. This option was granted to bondholders until 21 June 2025. At the Board meeting on 24 June 2025, it was therefore resolved that, as a result of the aforementioned conversion requests, the company shall issue a total of 40,000 ordinary shares, setting the implicit book value for the issue of each share at no less than the current value on the date of the resolution, namely EUR 7.84; the remaining portion of the unit value of the share, namely EUR 4.66, shall be treated as share premium. In total, the amount deriving from the conversion of EUR 500 thousand bonds shall be allocated as follows: EUR 313,600 to share capital and EUR 186,400 to the share premium. As a result of the conversions set out above and the determination of the amount of the capital increase to service those conversions, the Company's share capital will amount to EUR 469,644,100.10 and be divided into 59,980,038 ordinary shares lacking par value.

The legal and accounting effectiveness of the conversion has been established as 14 July 2025.

13.2 Capital – Number of shares of the Parent Bank: annual changes

Items/Types	Ordinary	Other
A. Shares existing at the beginning of the year	59,646,473	-
- fully paid	59,940,038	-
- not fully paid	-	-
A.1 Treasury shares (-)	(293,565)	-
A.2 Shares outstanding: opening balance	59,646,473	-
B. Increases	161,447	-
B.1 New issues	40,000	-
- for a fee:	40,000	-
- conversion of bonds	40,000	-
- exercise of warrants	-	-
- other	-	-
- free of charge:	-	-
- in favour of employees	-	-
- in favour of the directors	-	-
- other	-	-
B.2 Sale of treasury shares	47,723	-
B.3 Other changes	73,724	-
C. Decreases	(186,316)	-
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	(186,316)	-
C.3 Business units sales	-	-
C.4 Other changes	-	-
D. Shares outstanding: closing balance	59,711,342	-
D.1 Treasury shares (+)	(268,696)	-
D.2 Shares existing at the end of the year	59,980,038	-
- fully paid	59,980,038	-
- not fully paid	-	-

13.4 Profit reserves: other information

	31/12/2025	31/12/2024
1. Legal reserve	83,204	73,165
2. Extraordinary reserve	59,565	46,454
3. Reserve from contribution pursuant to Law 218/90	-	-
4. Reserve pursuant to Article 22 of Legislative Decree 153/99	-	-
5. Merger surplus reserve	13,917	13,917
6. Reserve for the purchase of treasury shares - committed portion	6,018	3,055
7. Reserve for the purchase of treasury shares - available portion	2,982	2,078
8. Reserves - other	297,365	259,814
Total	463,051	398,483

The item "Reserves - other" refers to the positive and negative reserves related to the effects of the transition to the IAS/IFRS International Accounting Standards. The change compared to the previous period is mainly due to the distribution of the profit for the previous year, not otherwise allocated.

The reserves referred to in points 6 and 7 are established and used in accordance with the resolution of the Ordinary Shareholders' Meeting of 15 April 2025.

It should also be noted that, when approving the financial statements for the 2023 financial year, the two banks in the Group had chosen to allocate a portion of their profits to reserves, amounting to EUR 34,314 thousand for Sparkasse and EUR 6,487 thousand for CiviBank, in accordance with Article 26 (5-*bis*) of Italian Decree Law No. 104/2023 "tax on banks' extraordinary profits", converted into Italian Law No. 136/2023. This restricted reserve was allocated within the Profit Reserves, as follows:

- Extraordinary reserve in the amount of EUR 7,082 thousand, for Sparkasse alone;
- "Other reserves – other profit reserves" in the amount of EUR 27,232 thousand for Sparkasse and EUR 6,487 thousand for CiviBank.
- Following the changes introduced by the 2026 Budget Law, which introduced the possibility of releasing the aforementioned reserve, the Bank has opted to apply the extraordinary contribution to the extent of 27.5% of the reserve existing at the end of the financial year as at 31 December 2025. The expected liability amounts to EUR 9,436 thousand for Sparkasse and EUR 1,784 thousand for CiviBank, which, in accordance with the interpretation agreed on by ABI and Assirevi in the Circular Letter of 19 January 2026, is already recognised in the financial statements for the 2025 financial year as a liability in respect of the obligation to pay the same tax at a rate of 27.5%. It was also decided that the extraordinary contribution should be charged directly against equity, based on an analogous application of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the provisions of paragraph 61A of IAS 12, which requires tax to be recognised in line with the relevant item against which the tax is calculated. It should be noted that a negative equity reserve is established for this purpose, for an amount equal to the extraordinary contribution totalling EUR 11,220,340, covered by using other "Profit reserves" that are unrestricted and available as at that date. This extraordinary contribution will be paid by the deadline for the final settlement of income tax for the tax period ending 31 December 2025, with the consequent subsequent elimination of the restriction on the Reserve for tax on banks' extra-profits for its total amount, equal to EUR 40,801,236.

Section 14 - Shareholders' equity pertaining to minority interests - Item 190

14.1 Breakdown of item 190 "Shareholders' equity pertaining to minority interests"

	Total 31/12/2025	Total 31/12/2024
Equity investments in consolidated companies with significant minority interests		
1. Banca di Cividale S.p.A.	69,906	67,342
2. Fanes S.r.l.	12	12
3. CIVITAS SPV SRL	12	12
Other equity investments	4	4
Total	69,934	67,370

As at 31 December 2025, minority interests amounted to EUR 69,934 thousand.

The item "Other equity investments" represents the value of the SPK OBG S.r.l. vehicle in which third parties hold a 40% share for a value of Euro 4 thousand.

Other information

1. Commitments and financial guarantees issued other than those designated at fair value

	Nominal amount on commitments and financial guarantees issued				Total 31/12/2025	Total 31/12/2024
	First stage	Second stage	Third stage	Purchased or originated impaired		
1. Commitments to disburse funds	3,231,316	135,888	24,425	-	3,391,630	3,250,558
a) Central Banks	-	-	-	-	-	-
b) Public administrations	313,819	-	-	-	313,819	289,724
c) Banks	8,923	-	-	-	8,923	6,050
d) Other financial companies	146,977	35,196	-	-	182,173	179,773
e) Non-financial companies	2,578,042	93,570	20,552	-	2,692,164	2,519,860
f) Households	183,555	7,123	3,873	-	194,551	255,151
2. Financial guarantees issued	613,159	31,028	14,283	-	658,469	639,015
a) Central Banks	-	-	-	-	-	-
b) Public administrations	3,268	-	-	-	3,268	3,058
c) Banks	2,523	-	-	-	2,523	2,522
d) Other financial companies	18,680	25	-	-	18,705	6,690
e) Non-financial companies	560,283	29,545	14,041	-	603,869	595,743
f) Households	28,404	1,458	242	-	30,104	31,004

Guarantees issued and commitments to disburse funds, shown here net of value adjustments (EUR 14,229 thousand), include net impaired exposures amounting to EUR 28,865 thousand (see table A.1.5 in Section 1 of Part E "Information on risks and related hedging policies).

2. Other commitments and other guarantees issued

1. Other guarantees issued	Nominal amount Total 31/12/2025	Nominal amount Total 31/12/2024
of which: impaired credit exposures	-	-
a) Central Banks	-	-
b) Public administrations	-	-
c) Banks	271	271
d) Other financial companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
2. Other commitments		
of which: impaired credit exposures	-	-
a) Central Banks	-	-
b) Public administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
e) Non-financial companies	-	-
f) Households	-	-

3. Assets pledged as collateral for own liabilities and commitments

Portfolios	Amount 31/12/2025	Amount 31/12/2024
1. Financial assets measured at fair value through profit or loss	34,694	37,647
2. Financial assets measured at fair value through other comprehensive income	513,669	140,728
3. Financial assets measured at amortised cost	3,518,521	3,505,527
4. Property, plant and equipment	-	-
of which: property, plant and equipment constituting inventories	-	-

The financial assets referred to in point 1. are recognised at their carrying amount and refer to the commitments related to the management of the separate assets in debt securities and UCITS units for the investment of the liquidity generated by the Pension Fund - Sections A-A1.

The financial assets referred to in points 2. and 3. are recorded at their carrying amount and committed as follows:

- for "pooling" transactions at the Bank of Italy for EUR 2,229.0 million;
- by way of additional guarantee against loans taken out with EIB for EUR 344.6 million;
- for classic repo transactions for EUR 341.9 million.

The following amounts are also included in point 3. "Financial assets measured at amortised cost":

- EUR 16,795 thousand relating to the residual debt of the loans to customers, granted on the basis of the agreement entered into with the European Investment Bank (EIB), assigned with recourse to the EIB to guarantee the borrowings contracted by the Bank with the latter;
- EUR 1,040.0 million related to Abaco receivables.

Note also the presence of other assets, which are not recorded in the balance sheet assets, used as collateral to guarantee loans received from the European Central Bank, represented by ABS (Asset Backed Security) securities for a nominal amount of EUR 6.6 million, and for repurchase agreements (classic repos) for EUR 59.6

million, deriving from two self-securitisation transactions carried out by the Parent Bank respectively in 2018 and 2020.

5. Management and brokerage on behalf of third parties

Type of services	Amount
1. Fulfilment of orders on behalf of customers	-
a) purchases	-
1. settled	-
2. unsettled	-
b) sales	-
1. settled	-
2. unsettled	-
2. Portfolio management	201,958
a) individual	201,958
b) collective	-
3. Custody and administration of securities	10,808,951
a) third-party securities on deposit: related to the performance of custodian bank (excluding portfolio management)	-
1. securities issued by the companies included in the scope of consolidation	-
2. other securities	-
b) third-party securities on deposit (excluding portfolio management): other	3,543,829
1. securities issued by the companies included in the scope of consolidation	535,154
2. other securities	3,008,676
c) third-party securities deposited with third parties	3,519,404
d) own securities deposited with third parties	7,265,122
4. Other transactions	3,025,481

The Group's two banks do not perform brokerage services on behalf of third parties.

The amounts in point 3. refer to the nominal amount of the securities.

The other operations referred to in point 4. include:

Type of services	Amount
1. Reception and transmission of orders:	1,281,960
a) purchases	853,490
b) sales	428,470
2. Placing and offering third-party services:	1,743,521
a) purchases	1,043,087
b) sales	700,434

With reference to the data included in the table, the following is specified:

- The amounts in point 1. above refer to flows in the year relating to order collection and transmission transactions on behalf of customers;
- The amounts in point 2. refer instead to the flows for the financial year in respect of the products placed under asset management.

Part C - Information on the Consolidated Income Statement

Section 1 - Interest - Items 10 and 20

1.1 Interest income and similar revenues: breakdown

Items/Technical forms	Debt securities	Loans	Other transactions	Total 31/12/2025	Total 31/12/2024
1. Financial assets measured at fair value through profit or loss:	433	-	-	433	624
1.1 Financial assets held for trading	125	-	-	125	294
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	309	-	-	309	330
2. Financial assets measured at fair value through other comprehensive income	6,118	-	X	6,118	4,491
3. Financial assets measured at amortised cost:	85,780	349,540	-	435,320	540,599
3.1 Loans to banks	12,324	1,121	X	13,445	11,138
3.2 Loans to customers	73,456	348,419	X	421,875	529,461
4. Hedging derivatives	X	X	(59)	(59)	15,070
5. Other assets	X	X	24,111	24,111	49,357
6. Financial liabilities	X	X	X	-	-
Total	92,332	349,540	24,052	465,924	610,141
of which: interest income on impaired financial assets	-	22,824	-	22,824	22,409
of which: interest income on financial leases	X	16,106	X	16,106	19,670

The amount shown in point "4. Hedging derivatives" represent the imbalance between receivables and payables on derivative contracts entered into to hedge against interest rate risk.

Point 5. "Other assets" includes, inter alia, the interest income accrued on demand deposits with the Bank of Italy ("deposit facility") for an amount of EUR 10,661 thousand on deposits opened by Cassa di Risparmio di Bolzano and of EUR 2,884 thousand on the deposits opened by CiviBank, as well as the interest accrued according to the amortised cost method applied to the eco- and earthquake-bonus tax receivables purchased (for an amount of EUR 6,782 thousand for the receivables purchased by Cassa di Risparmio di Bolzano and an additional EUR 2,370 thousand for those purchased by CiviBank).

In general, the trend in interest rates recorded during 2025 brought with it, compared to the values in 2024, a considerable decrease in interest income and expense.

1.2 Interest income and similar revenues: other information

1.2.1 Interest income on financial assets in foreign currency

	Total 31/12/2025	Total 31/12/2024
Interest income on financial assets in foreign currency	1,755	1,468

The figure of interest income on assets in foreign currency is due in full to interest on current accounts in foreign currency and advances in foreign currency.

1.3 Interest expense and similar charges: breakdown

Items/Technical forms	Payables	Securities	Other transactions	Total 31/12/2025	Total 31/12/2024
1. Financial liabilities measured at amortised cost	(153,609)	(26,763)	X	(180,372)	(313,834)
1.1 Due to central banks	(14,967)	X	X	(14,967)	(73,680)
1.2 Due to banks	(16,239)	X	X	(16,239)	(44,729)
1.3 Due to customers	(122,403)	X	X	(122,403)	(189,583)
1.4 Securities issued	X	(26,763)	X	(26,763)	(5,843)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and provisions	X	X	-	-	(258)
5. Hedging derivatives	X	X	-	-	-
6. Financial assets	X	X	X	-	-
Total	(153,609)	(26,763)	-	(180,372)	(314,092)
of which: interest expense on lease payables	(661)	X	X	(661)	(712)

Following the ECB's monetary policy decisions to cut interest rates, the cost of direct customer deposits fell significantly, from EUR 189.6 million at the end of 2024 to EUR 122.4 million at the end of 2025, despite an increase in the volume of deposits themselves.

The amount shown in point "1. Due to central banks" represents the interest expense recognised in 2024 on TLTRO III transactions, in which the entire banking system had participated with significant holdings and which were all repaid by the end of 2024; in 2025, this item relates to interest expense paid in respect of open market operations (OMOs) or LTRO-type transactions. The discontinuation of TLTRO III transactions, as mentioned, led to a sharp drop in the item for interest expense on amounts due to central banks. Interest expense on amounts due to banks comprises EUR 9,790 thousand from repo transactions and EUR 5,284 thousand from funding transactions with the EIB – European Investment Bank.

Among amounts due to customers, the component of interest expense linked to restricted direct deposits amounts to EUR 36,060 thousand, whilst that on unrestricted deposits amounts to EUR 69,673 thousand. Also included under the item interest expense on amounts due to customers is the portion of interest paid on classic repo transactions with MTS counterparties, amounting to EUR 8,704 thousand.

With effect from 1 January 2019 following the adoption of the IFRS 16 accounting standard relating to leases, this table shows separately the interest expense relating to the payables recorded in the liabilities as a counter-entry to the rights of use acquired with the lease.

1.4. Interest expense and similar charges: other information

1.4.1 Interest expense on liabilities in foreign currency

	Total 31/12/2025	Total 31/12/2024
Interest expense on liabilities in foreign currency	(496)	(628)

The figure for interest expense on liabilities in foreign currency is attributable to interest paid on customer accounts and relations with banks.

1.5 Spreads relating to hedging transactions

Items	Total 31/12/2025	Total 31/12/2024
A. Positive spreads relating to hedging transactions	30,955	41,058
B. Negative spreads relating to hedging transactions	(31,014)	(25,988)
C. Balance (A-B)	(59)	15,070

This table shows the spreads related to IRS contracts entered into to hedge the interest rate risk of portfolios of fixed-rate mortgages.

Section 2 - Commissions - Items 40 and 50

2.1 Fee and commission income: breakdown

Type of services/Values	Total 31/12/2025	Total 31/12/2024
a) Financial instruments	34,822	31,275
1. Placement of securities	-	82
1.1 With underwriting commitment and/or on the basis of an irrevocable commitment	-	-
1.2 Without irrevocable commitment	-	82
2. Reception and transmission of orders and execution of orders on behalf of clients	2,139	2,386
2.1 Reception and transmission of orders for one or more financial instruments	2,139	2,386
2.2 Fulfilment of orders on behalf of customers	-	-
3. Other commissions referring to activities related to financial instruments	32,683	28,806
of which: trading on own account	31,634	27,130
of which: individual portfolio management	1,049	1,676
b) Corporate Finance	-	-
1. Advisory services on Mergers and Acquisitions	-	-
2. Treasury services	-	-
3. Other commissions associated with corporate finance services	-	-
c) Investment advisory activities	3,181	2,979
d) Clearing and settlement	-	-
e) Collective portfolio management	-	-
f) Custody and administration	571	490
1. Custodian bank	-	-
2. Other fees related to custody and administration activities	571	490
g) Central administrative services for collective portfolio management	-	-
h) Fiduciary activity	-	-
i) Payment services	13,694	18,128
1. Current accounts	862	921
2. Credit cards	2,662	3,982
3. Debit and other payment cards	2,299	5,025
4. Wire transfers and other payment orders	4,092	4,760
5. Other fees related to payment services	3,779	3,440
j) Distribution of third-party services	29,438	24,912
1. Collective portfolio management	-	-
2. Insurance products	20,856	18,800
3. Other products	8,582	6,112
of which: individual portfolio management	483	38
k) Structured finance	5,803	5,838
l) Servicing activities for securitisation transactions	-	-
m) Commitments to disburse funds	13,749	14,477
n) Financial guarantees issued	6,552	5,973
of which: credit derivatives	-	-
o) Financing operations	1,831	1,674
of which: for factoring transactions	-	-
p) Trading in foreign currencies	2,269	1,545
q) Goods	-	-
r) Other fee and commission income	39,206	39,472
of which: for the management of multilateral trading systems	-	-
of which: for the management of organised trading systems	-	-
Total	151,116	146,763

The item fee and commission income recorded an overall increase of EUR 4.4 million, equal to +3.0%. Whilst fee and commission values remained broadly in line with those of the previous financial year, there were significant increases in commission on transactions in financial instruments (+ EUR 3.5 million) and in fee and commission income received from the distribution of third-party services (+ EUR 4.5 million); commission received from payment services, particularly on credit and debit cards, fell as a result of the disposal in 2024 of the “merchant acquiring” business (- EUR 4.4 million).

With reference to the disclosure pursuant to IFRS 7, paragraph 20, letter c (i), there is no income arising from financial assets or liabilities not designated at fair value through profit or loss.

2.2 Fee and commission expense breakdown

Type of services/Values	Total 31/12/2025	Total 31/12/2024
a) Financial instruments	(413)	(386)
of which: trading in financial instruments	(372)	(330)
of which: placement of financial instruments	-	-
of which: individual portfolio management	(41)	(56)
- Own	-	-
- Delegated to third parties	(41)	(56)
b) Clearing and settlement	-	-
c) Collective portfolio management	-	-
1. Own	-	-
2. Delegated to third parties	-	-
d) Custody and administration	(938)	(722)
e) Collection and payment services	(6,930)	(6,274)
of which: credit cards, debit cards and other payment cards	(3,982)	(3,388)
f) Servicing activities for securitisation transactions	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	(13,499)	(14,381)
of which: credit derivatives	-	-
i) Off-site selling of financial instruments, products and services	-	-
j) Trading in foreign currencies	-	-
k) Fee and commission expense	(7,635)	(5,979)
Total	(29,415)	(27,743)

“Fee and commission expense” increased compared to the previous financial year by EUR 1,672 thousand.

The impact of the fee and commission expense paid by the Parent Bank remains significant also in 2025 for financial guarantees received in the context of the synthetic securitisation launched by the Parent Bank in November 2023, which amounted to EUR 7,864 thousand. There was a further increase in commission paid as part of the Cronos Vita (formerly Eurovita) transaction by way of servicing fees for EUR 5,357 thousand (represented herein by “Other fee and commission expense”, and by way of commission for non-utilisation of the credit facility granted by a pool of banks for a further EUR 3,091 thousand.

With reference to the disclosure pursuant to IFRS 7, paragraph 20, letter c (i), there are no expenses arising from financial assets or liabilities not designated at fair value through profit or loss.

Section 3 - Dividends and similar income - Item 70

3.1 Dividends and similar income: breakdown

Items/Income	Total 31/12/2025		Total 31/12/2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	3	-	3	-
B. Other financial assets mandatorily measured at fair value	-	1,960	-	1,935
C. Financial assets measured at fair value through other comprehensive income	1,089	-	2,105	-
D. Equity investments	-	-	-	-
Total	1,091	1,960	2,108	1,935

Among the financial assets mandatorily measured at fair value, the item "similar income" includes income paid from UCITS units in the portfolio of the Group's two banks.

The item "Financial assets measured at fair value through other comprehensive income" includes dividends received on minority equity investments managed under the "Equity fair value option". Included under this item are the dividends paid to the Parent Bank by the Bank of Italy amounting to EUR 427 thousand, as well as dividends received from equity investments in Funivie Folgarida e Marilleva and in Nexi amounting to EUR 71 thousand and EUR 56 thousand, respectively. Added to these are dividends received from Banca di Cividale, for a total of EUR 209 thousand, relating for EUR 161 thousand to the minority interest in Bank for private business and for EUR 48 thousand to Banca Valsabbina.

This item also includes dividends collected on equity securities, other than minority equity investments, for which the Group has exercised the equity OCI option; in 2024, these dividends amounted to Euro 1 thousand for the sole portion relative to Cassa di Risparmio di Bolzano.

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

4.1 Net profit (loss) from trading: breakdown

Transactions/Income components	Capital gains (A)	Trading profits (B)	Capital losses (C)	Trading losses (D)	Net result [(A+B) - (C+D)]
1. Financial assets held for trading	54	87	(25)	(43)	73
1.1 Debt securities	45	87	(25)	(42)	64
1.2 Equity securities	9	-	-	-	8
1.3 UCITS units	1	-	-	-	1
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	(1)	(1)
2. Financial liabilities held for trading	-	-	-	-	-
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange rate differences	X	X	X	X	1,484
4. Derivative instruments	166	173	(91)	152	156
4.1 Financial derivatives:	166	173	(91)	152	156
- On debt securities and interest rates	166	173	(91)	152	96
- On equity securities and equity indices	-	-	-	-	-
- On currencies and gold	X	X	X	X	60
- Other	-	-	-	-	-
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges related to the fair value option	X	X	X	X	-
Total	220	260	(116)	(196)	1,713

The item "Financial derivatives" includes the economic results of derivatives listed on regulated markets and included in the trading activities of the Group.

The contribution of the exchange rate differences component, i.e., the gains from currency revaluation, recorded a significant figure of EUR 1,484 thousand.

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

5.1 Net profit (loss) from hedging: breakdown

Income components/Values	Total 31/12/2025	Total 31/12/2024
A. Income relating to:		
A.1 Fair value hedging derivatives	55,599	25,993
A.2 Hedged financial assets (fair value)	6,686	42,664
A.3 Hedged financial liabilities (fair value)	-	-
A.4 Cash flow hedging derivatives	-	-
A.5 Assets and liabilities in foreign currency	-	-
Total income from hedging (A)	62,285	68,657
B. Charges relating to:		
B.1 Fair value hedging derivatives	(12,191)	(38,032)
B.2 Hedged financial assets (fair value)	(44,485)	(24,974)
B.3 Hedged financial liabilities (fair value)	-	-
B.4 Cash flow hedging derivatives	-	-
B.5 Assets and liabilities in foreign currency	-	-
Total hedging charges (B)	(56,676)	(63,006)
C. Net profit (loss) from hedging (A - B)	5,609	5,651
of which: result of hedges on net positions	-	-

This table shows the changes in fair value deriving from the hedging of interest rate risk as part of fair value hedging transactions on portfolios of fixed-rate mortgages that the two banks concluded with external counterparties.

As required by international accounting standards (IAS 39), this item reports changes in the fair value of hedging instruments and hedged items that are within the effectiveness corridor set out by IAS 39 (80-125%).

For the results of the effectiveness tests, please refer to table 5.2 of Part B (Information on the Balance Sheet - Assets).

Section 6 - Profits (losses) on disposal/repurchase - Item 100

6.1 Profits (losses) on disposal/repurchase: breakdown

Items/Income components	Total 31/12/2025			Total 31/12/2024		
	Profits	Losses	Net result	Profits	Losses	Net result
Financial assets						
1. Financial assets measured at amortised cost	5,968	(4,674)	1,294	7,534	(6,754)	780
1.1 Loans to banks	-	-	-	-	-	-
1.2 Loans to customers	5,968	(4,674)	1,294	7,534	(6,754)	780
2. Financial assets measured at fair value through other comprehensive income	120	(73)	47	1,320	(1,319)	1
2.1 Debt securities	120	(73)	47	1,320	(1,319)	1
2.2 Loans	-	-	-	-	-	-
Total assets (A)	6,088	(4,747)	1,341	8,854	(8,073)	781
Financial liabilities measured at amortised cost	-	-	-	-	-	-
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	-	(1)	(1)	-	(1)	(1)
Total Liabilities (B)	-	(1)	(1)	-	(1)	(1)

The net result recorded under the item "Financial assets measured at amortised cost" is attributable to some individual transactions for the sale of non-performing loans and the maturity of some debt securities of the "held to collect" portfolio. The net result of "Financial assets measured at fair value through other comprehensive income" is generated by some fixed-rate government bonds maturing in 2025, for which, in the absence of interim purchases and sales, the redemption gain was offset by the reversal of valuation reserves to the income statement.

Section 7 - Net income of financial assets and liabilities measured at fair value through profit or loss - item 110

In the absence of net changes in the value of financial assets and liabilities measured at fair value through profit or loss, this table is not valued.

7.2 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value:

Transactions/Income components	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net result [(A+B) - (C+D)]
1. Financial assets	3,600	369	(7,688)	(8)	(3,726)
1.1 Debt securities	158	59	(66)	(8)	143
1.2 Equity securities	-	-	-	-	-
1.3 UCITS units	3,443	311	(7,621)	-	(3,868)
1.4 Loans	-	-	-	-	-
2. Financial assets: exchange rate differences	X	X	X	X	-
Total	3,600	369	(7,688)	(8)	(3,726)

This table shows the impacts on the income statement of financial assets mandatorily measured at fair value, i.e. those assets that, on the basis of the rules set forth in IFRS 9, do not pass the SPPI test as from 1 January 2018, i.e. they cannot be included in a business model at amortised cost or measured at fair value through other comprehensive income.

There were some significant capital gains on listed real estate mutual funds for an amount of EUR 3.4 million. Capital gains that are more than offset by capital losses recognised on UCITS units with loans as their underlying assets, for which fair value has been determined using an internal model that is more representative of fair value than the NAV published by the asset management company in its management reports, and which incorporates both a market risk premium and a liquidity premium into the discounting of the cash flows envisaged in the business plan. These capital losses amount in total to EUR 7.7 million. The fair value impacts for debt securities are not significant.

Section 8 - Net value adjustments/write-backs for credit risk - Item 130

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

Transactions/Income components	Value adjustments (1)						Write-backs (2)				Total 31/12/2025	Total 31/12/2024
	First stage	Second stage	Third stage		Purchased or originated impaired		First stage	Second stage	Third stage	Purchased or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Loans to banks	(73)	-	-	-	-	-	15	-	-	-	(58)	42
- Loans	(7)	-	-	-	-	-	15	-	-	-	8	18
- Debt securities	(67)	-	-	-	-	-	-	-	-	-	(67)	24
B. Loans to customers	(686)	(31)	(820)	(64,101)	(23)	(1,313)	1,308	4,659	50,911	1,787	(8,309)	(29,096)
- Loans	(710)	(31)	(820)	(63,617)	(23)	(1,313)	840	4,377	50,911	1,787	(8,599)	(30,177)
- Debt securities	23	-	-	(484)	-	-	468	282	-	-	290	1,081
Total	(760)	(31)	(820)	(64,101)	(23)	(1,313)	1,323	4,659	50,911	1,787	(8,368)	(29,054)

The allocations on loans set aside in previous periods, together with the Group's prudent credit risk hedging policy – which it has been pursuing for several years now – have enabled it to ensure constant monitoring of impaired loans and to maintain all coverage ratios at a satisfactory level; in fact, the coverage ratio for total problem loans stands at 47.0% (compared with 49.2% at the end of 2024); the coverage ratio for loans classified as “unlikely to pay” stands at 42.1% (45.0% at 31 December 2024) and that for non-performing loans at 72.7% (68.4% at 31 December 2024).

To be noted is also that following the adoption of the IFRS 9 accounting standard and related adjustments to the financial statements included in the 5th update of Bank of Italy Circular no. 262, this item no longer includes the write-downs of interest on non-performing loans, interest that is calculated and recognised on the net value of the loan. From 1 January 2018, the interest from the release of the discounting component on the non-performing portfolio is also recognised under Item 10 “Interest income and similar revenues”.

The valuation of loans is in line with the valuation method (policy) approved by the Board of Directors. The timely monitoring allowed an in-depth analysis of the existing portfolio, which made it possible to continue the process of careful evaluation and classification of the positions with initial symptoms of deterioration.

Portfolio value adjustments or write-backs are shown for imbalance with reference to the entire portfolio of performing loans.

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

Transactions/Income components	Value adjustments (1)						Write-backs (2)				Total 31/12/2025	Total 31/12/2024
	First stage	Second stage	Third stage		Purchased or originated impaired		First stage	Second stage	Third stage	Purchased or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Debt securities	(39)	-	-	-	-	-	-	32	-	-	(8)	111
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- To customers	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	(39)	-	-	-	-	-	-	32	-	-	(8)	111

The table shows the value adjustments/write-backs for credit risk, or impairment as defined by IFRS 9, on financial assets classified in the fair value portfolio through other comprehensive income.

All debt securities in the portfolio of the Group at 31 December 2025 are included in the first and second stage.

SECTION 9 - GAINS (LOSSES) FROM CONTRACTUAL AMENDMENTS WITHOUT CANCELLATIONS - ITEM 140

9.1 Gains (losses) from contractual amendments: breakdown

The renegotiations of financial instruments that result in a change in the contractual conditions are accounted for based on the significance of the contractual amendment itself.

In particular, in the case of renegotiations considered insignificant, the gross amount is determined again by calculating the current value of the cash flows resulting from the renegotiation, at the original rate of the exposure. The difference between the gross amount of the financial instrument before and after the renegotiation of the contractual conditions, adjusted to consider the associated changes to the cumulative value adjustments, is recorded in the income statement as gain or loss from contractual amendments without cancellations.

With reference to the 2025 financial year, the contractual amendments without cancellations generated the following impacts:

- gains: EUR 127 thousand;
- losses: EUR 820 thousand;
- overall difference: EUR -693 thousand.

In this regard, it should be noted that renegotiations are considered significant, formalised both through a change to the existing contract and through the execution of a new contract, which determine the extinction of the right to receive the cash flows in accordance with the original contract.

In particular, the rights to receive cash flows are deemed to be extinguished in the event of renegotiations that determine the introduction of contractual clauses such as to change the classification of the financial instrument itself, that determine a change in the currency of denomination or that are carried out at market conditions, therefore, do not constitute a credit concession.

Section 12 - Administrative expenses - item 190

12.1 Personnel expenses: breakdown

Type of expenses/Values	Total 31/12/2025	Total 31/12/2024
1) Employees	(165,340)	(158,160)
a) wages and salaries	(121,250)	(115,913)
b) social security contributions	(28,078)	(26,877)
c) severance pay	-	-
d) social security expenses	-	-
e) allocation to the provision for employee severance indemnity	(322)	(303)
f) allocation to the provision for pensions and similar obligations:	(11,432)	(10,959)
- with defined contribution	(11,432)	(10,959)
- with defined benefits	-	-
g) payments to external supplementary pension funds:	-	-
- with defined contribution	-	-
- with defined benefits	-	-
h) costs deriving from payment agreements based on own equity instruments	-	-
i) other employee benefits	(4,258)	(4,108)
2) Other active staff	(2)	(24)
3) Directors and statutory auditors	(2,480)	(2,261)
4) Retired staff	-	-
Total	(167,821)	(160,445)

The cost for Directors and Statutory Auditors includes both the fixed remuneration and the attendance fees and expense reimbursements.

The increase compared to the previous financial year, amounting to approximately EUR 7.4 million, is largely attributable to the salary increases envisaged by the renewal of the National Collective Labour Agreement (CCNL).

12.2 Average number of employees by category

	Punctual 31/12/2025	Punctual 31/12/2024	Average 31/12/2025	Average 31/12/2024
Employees	1,835.50	1,830.00	1,832.75	1,785.25
a) Executives	37.00	36.50	36.75	32.75
b) Middle managers	865.50	808.00	836.75	788.50
c) Remaining employees	933.00	985.50	959.25	964.00
Other staff	-	-	-	-
Total	1,835.50	1,830.00	1,832.75	1,785.25

The highest and average number of employees is expressed by conventionally considering the number of employees with part-time contracts at 50%, as set forth in the rules for drawing up the Financial Statements issued by the Bank of Italy.

12.3 Company's defined benefit pension funds: costs and revenues

The defined benefit pension funds include only retired employees.

The representation in the financial statements of the expenses related to this type of provision provides for the following:

- to record the adjustment of the actuarial estimates with a balancing entry in Shareholders' Equity without passing through the income statement;
- to continue to represent in the income statement the costs deriving from the discounting of the liability (interest cost), the expected return on investments, and, if applicable, the allocation made for staff in service (service cost).

This accounting treatment allows for a more correct representation in the income statement of the typical banking activity, avoiding "interference" linked to insurance risks unrelated to the banking business. Actuarial estimates of the Pension Fund, in fact, depend on elements that cannot be influenced and are not related to the performance of banking activities, and in addition, the Fund represents an obligation to former employees whose related benefits, i.e. the provision of services, were rendered in previous periods.

12.4 Other employee benefits

	Total 31/12/2025	Total 31/12/2024
Education and training expenses	(927)	(717)
Reimbursement of medical expenses	(1,962)	(1,979)
Clothing	(3)	-
Other	(1,365)	(1,412)
Total	(4,258)	(4,108)

The table provides details of item 1.i) of the previous table 12.1 "Personnel expenses".

12.5 Other administrative expenses: breakdown

	31/12/2025	31/12/2024
Indirect taxes and duties	(23,894)	(23,099)
Property rents	(779)	(735)
Movable assets rents	-	-
Machine rents	(341)	(221)
Maintenance costs for buildings and furniture used by the Group	(5,430)	(4,758)
Expenses for electricity, heating and water	(3,350)	(3,569)
Cleaning costs	(1,719)	(1,679)
Telephone expenses	(637)	(645)
Postal charges	(674)	(655)
IT system outsourcing service fee	(20,197)	(18,267)
Software maintenance and fees	(15,782)	(14,208)
Expenses for data transmission lines	(1,828)	(2,197)
Expenses for data processing performed by third parties	(2,287)	(2,093)
Expenses for services provided by Group companies	-	-
Expenses for other outsourcing services	(2,336)	(2,088)
Expenses and fees for services rendered by third parties	(1,027)	(1,271)
Expenses for the transport of valuables and security	(1,106)	(1,051)
Expenses for searches, information and debt collection	(3,041)	(3,646)
Expenses for fees to professionals	(13,788)	(15,186)
Expenses for printed matter and stationery	(399)	(328)
Advertising and promotions expenses	(4,125)	(4,331)
Expenses for insurance premiums	(1,931)	(1,646)
Expenses for membership fees	(1,916)	(11,752)
- of which contributions to resolution funds and deposit guarantee schemes	(730)	(10,575)
Other expenses	(3,764)	(3,970)
Total	(110,350)	(117,396)

The item "Other administrative expenses" decreased by a total of EUR 7,046 thousand.

The only relevant change, on the positive side, is the absence in 2025 of the contribution required from the banks by the National Crisis Resolution Fund, which, already 2024, reached the target level of coverage of the protected funds with ex-ante funding, set in the articles of association. Also in 2024, the ex-ante collection period for contributions to be paid to the Interbank Deposit Protection Fund (FITD) also expired. This contribution had an impact of EUR 10.6 million on the two Group banks in 2024. In 2025, the FITD nevertheless requested that member banks make contributions to cover the fees due on the credit facility granted to the FITD by a pool of banks, as well as the standard contribution, partly in light of the trend in protected deposits, resulting in a total contribution of EUR 555 thousand for Sparkasse and EUR 175 thousand for Banca di Cividale.

Whilst the other items remained broadly in line with the previous year's figures, there was an increase in IT outsourcing costs (EUR +1.9 million), an increase in software licence and maintenance costs (EUR +1.6 million) and an increase in maintenance costs for property and equipment used by the Group (EUR +0.7 million). There was a slight reduction in expenses relating to fees paid to professional consultants (EUR -1.4 million).

Section 13 – Net allocations to provisions for risks and charges – item 200

13.1 Net allocations for credit risk relating to commitments to disburse funds and financial guarantees issued: breakdown

	31/12/2025	31/12/2024
Commitments to disburse funds	-	-
Financial guarantees issued	461	5,528
Total	461	5,528

13.2 Net allocations relating to other commitments and other guarantees issued: breakdown

This section is not completed; in fact, there are no allocations relating to other commitments and guarantees issued that are not already included in the previous section.

13.3 Net allocations to other provisions for risks and charges: breakdown

	31/12/2025	31/12/2024
1. Other provisions for risks and charges:		
1.1 legal disputes	(8)	703
1.2 staff expenses	(35)	-
1.3 other	766	(179)
Total	723	524

Section 14 - Net value adjustments/write-backs to property, plant and equipment - item 210

14.1. Net value adjustments to property, plant and equipment: breakdown

Assets/Income component	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Property, plant and equipment				
1. For business use	(20,010)	-	-	(20,010)
- Owned	(12,818)	-	-	(12,818)
- Rights of use acquired through leases	(7,192)	-	-	(7,192)
2. Held for investment purposes	-	-	-	-
- Owned	-	-	-	-
- Rights of use acquired through leases	-	-	-	-
3. Inventories	X	-	-	-
B. Assets held for sale	X	-	-	-
Total	(20,010)	-	-	(20,010)

For information on the "useful life" of property, plant and equipment for the calculation of depreciation, please refer to Section 9 of Assets.

Effective from 01.01.2019, the accounting standard IFRS 16 Leases was applied, which led to the recognition in the assets of the lessor of the right of use of the property, plant and equipment acquired through the lease; these assets must be depreciated over the contractual life of the asset and the relative depreciation charge is shown in this table.

Section 15 - Net value adjustments/write-backs to intangible assets - item 220

15.1 Net value adjustments to intangible assets: breakdown

Assets/Income component	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Intangible assets	(8,734)	-	-	(8,734)
of which: software	(8,314)	-	-	(8,314)
A.1 Owned	(8,734)	-	-	(8,734)
- Generated internally by the company	-	-	-	-
- Other	(8,734)	-	-	(8,734)
A.2 Rights of use acquired through leases	-	-	-	-
B. Assets held for sale	-	-	-	-
Total	(8,734)	-	-	(8,734)

For information on the “useful life” of intangible assets for the calculation of amortisation, please refer to Section 10 of Assets.

Section 16 - Other operating expenses and income - item 230

16.1 Other operating expenses: breakdown

	31/12/2025	31/12/2024
1. Other operating expenses		
Pension Fund (Section A/A1) - Allocation to the Provision of net revenues generated by invested assets	(2,181)	(2,190)
Pension Fund (Section A/A1) - Net losses generated by invested assets	-	-
Pension Fund (Section A/A1) - Impact of the discounting cost of liabilities (interest cost)	(537)	(587)
Maintenance costs - properties held for investment purposes	(139)	(162)
Costs from securitisation of receivables	(1,117)	(886)
Other charges	6,066	(2,468)
Total	(10,040)	(6,293)

The table shows, among the other items, the impact of the provision of income generated by the assets invested in the Section A/A1 pension fund, which is offset in Table 16.2 of other operating income below, under the heading of net income generated from invested assets.

Costs relating to the securitisation transactions carried out by the two banks have increased, both in connection with the fifth transaction with Civitas Srl and with the SPK OBG vehicle for the Parent Bank's issue of covered bonds.

In conclusion, the item "Other expenses", which shows a significant increase compared with the previous financial year, includes an amount of EUR 4,532 thousand relating to the renegotiation of commercial agreements with Cedacri.

16.2 Other operating income: breakdown

	31/12/2025	31/12/2024
1. Other operating income		
Rental income on properties held for investment purposes	2,217	1,959
Stamp duty recast	18,446	17,802
Recovery of substitute tax on medium/long-term loans	2,430	2,421
Pension Fund (Section A/A1) - Net revenues generated by invested assets	2,181	2,190
Pension Fund (Section A/A1) - Allocation to the provision of net losses generated by invested assets	-	-
Pension Fund (Section A/A1) - Impact of the expected return of the invested portfolio	537	587
Other income	8,999	39,369
Total	34,809	64,328

During the period of comparison, the item "Other income" includes the capital gain realised by the two banks from the sale of the "acquiring" business unit, which totalled EUR 30,850 thousand; net of this component the figure for the two periods is essentially in line.

Section 17 - Gains (losses) on equity investments - item 250

17.1 Gains (losses) on equity investments: breakdown

Income components/Sectors	Total 31/12/2025	Total 31/12/2024
1) Jointly controlled undertakings		
A. Income	-	9
1. Revaluations	-	-
2. Gains on disposal	-	9
3. Write-backs	-	-
4. Other income	-	-
B. Charges	-	-
1. Write-downs	-	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other charges	-	-
Net result	-	9
2) Undertakings subject to significant influence		
A. Income	273	99
1. Revaluations	273	99
2. Gains on disposal	-	-
3. Write-backs	-	-
4. Other income	-	-
B. Charges	-	-
1. Write-downs	-	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other charges	-	-
Net result	273	99
Total	273	108

In this table, table, under the item "Revaluations", the portion of the profit for the year recorded by the investee Autosystem Società di Servizi S.p.A., attributable to the Parent Bank, is reported. The Parent Bank holds a 25% stake in the investee, which is consolidated using the equity method.

Section 18 – Net result from fair value measurement of property, plant and equipment and intangible assets – item 260

18.1 Net result from measuring property, plant and equipment and intangible assets at fair value (or revalued amount) or estimated realisable value: breakdown

Assets/Income component	Revaluations (a)	Write-downs (b)	Exchange rate differences		Net result (a-b+c-d)
			Positive (c)	Negative (d)	
A. Property, plant and equipment	2,414	(1,523)	-	-	891
A.1 For business use:	-	-	-	-	-
- Owned	-	-	-	-	-
- Rights of use acquired through leases	-	-	-	-	-
A.2 Held for investment purposes:	2,414	(1,523)	-	-	891
- Owned	2,414	(1,523)	-	-	891
- Rights of use acquired through leases	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	-	-	-	-	-
B.1 Owned:	-	-	-	-	-
B.1.1 Generated internally by the company	-	-	-	-	-
B.1.2 Other	-	-	-	-	-
B.2 Rights of use acquired through leases	-	-	-	-	-
Total	2,414	(1,523)	-	-	891

The fair value measurement, determined on the basis of appraisals performed at least annually, was carried out for each property by a qualified third party, chosen from among the leading companies in the sector, on property, plant and equipment held for investment.

Section 19 - Value adjustments to goodwill - item 270

19.1 Value adjustments to goodwill: breakdown

This section is not completed as neither in the year 2025 nor in 2024 were any impairment losses recognised on goodwill.

Section 20 - Gains (losses) on disposal of investments - Item 280

20.1 Gains (losses) on disposal of investments: breakdown

Income component/Sectors	Total 31/12/2025	Total 31/12/2024
A. Properties	177	1,040
- Gains on disposal	177	1,040
- Losses on disposal	-	-
B. Other assets	(4)	(8)
- Gains on disposal	-	7
- Losses on disposal	(4)	(15)
Net result	173	1,031

Section 21 - Income taxes for the year on current operations: breakdown - item 300

21.1 Income taxes for the year on current operations: breakdown

Income components/Sectors	Total 31/12/2025	Total 31/12/2024
1. Current taxes (-)	(38,675)	(8,716)
2. Changes in current taxes from previous years (+/-)	229	670
3. Reduction in current taxes for the year (+)	-	-
3.bis Reduction in current taxes for the year for tax credits pursuant to Law no. 214/2011 (+)	-	-
4. Change in deferred taxes (+/-)	(450)	(32,215)
5. Change in deferred taxes (-/+)	(640)	(2,517)
6. Taxes for the year (-) (-1+/-2+3+3bis+/-4+/-5)	(39,536)	(42,778)

Current taxes refer to the IRES payable from the tax consolidation and IRAP of the Parent Bank and other companies within the Group's scope. Significantly affecting the decrease in deferred taxes are the tax effects on the reversal portions of components recognised in PPAs.

21.2 Reconciliation between theoretical tax expense and actual tax expense in the financial statements

	IRES	IRAP
Profit from current operations before tax	145,048	145,048
Non-deductible costs for IRAP purposes		15,211
Non-taxable revenues for IRAP purposes		-34,372
Total	145,048	125,887
Theoretical tax charge (IRES 27.5% - IRAP 4.64%)	39,333	5,737
Permanent increases	1,113	1,375
Permanent decreases	(5,198)	(3)
Other increases/decreases	(1,372)	(1,448)
Value of taxes for the year	33,876	5,661

The difference between the theoretical tax charge and the actual tax charge described in this table is mainly attributable to:

- the exemption/non-deductibility of capital gains/losses on securities falling within the scope of application of the so-called participation exemption;
- the substantial exemption of dividends received;
- the adjustment of DTAs on receivables from FTA under IFRS 9, including the Parent Bank's 3.5% surcharge;
- the increase in the IRAP rate by 2% on "timing" tax adjustments due/to be utilised in the three-year period 2026–2028 for Sparkasse and Civibank;
- other non-taxable/non-deductible components of a lesser amount.

Section 22 - Profit (loss) from discontinued operations after tax - item 320

22.1 Profit (loss) from discontinued operations after tax: breakdown

Income components/Sectors	Total 31/12/2025	Total 31/12/2024
1. Income	759	-
2. Charges	(270)	(251)
3. Result of the valuation of the group of assets and associated liabilities	-	-
4. Gains (losses) on disposal	-	-
5. Taxes and duties	-	-
Profit (loss)	489	(251)

The values included in this table are attributable to the reclassification of the charges and income relating to the company Raetia SGR S.p.A. in liquidation, which is fully consolidated and allocated under "Assets held for sale", "Liabilities associated with assets held for sale" in the financial statements of the Parent Bank.

22.2 Details of income taxes relating to discontinued operations

This item is not recognised as the adjustment of the value of assets held for sale relating to participations under the PEX (participation exemption) regime does not represent a deductible component of the undertaking's income.

Section 23 - Profit (loss) for the year attributable to minority interests - item 340

23.1 Details of item 340 "Profit (loss) for the year attributable to minority interests"

Business names	Total 31/12/2025	Total 31/12/2024
Equity investments in consolidated companies with significant minority interests		
1. Banca di Cividale S.p.A.	(3,961)	(4,559)
2. CR Bolzano S.p.A.	-	-
3. Sparim S.p.A.	-	-
Other equity investments	-	-
Total	(3,961)	(4,559)

The figure represents the portion attributable to minority interests, equal to 18.89%, of the result of the subsidiary Banca di Cividale.

Section 24 - Other information

There is no further relevant information.

Section 25 - Earnings per share

Earnings/losses per share are calculated by dividing net profit/loss by the weighted average number of ordinary shares outstanding.

25.1 Average number of ordinary shares with diluted capital

Earnings per share are calculated on a number of 59,711,342 shares, with 268,696 shares repurchased.

25.2 Other information

Earnings per share for the year amounted to EUR 1.40 (EUR 1.90 at 31 December 2024).

Part D – Consolidated Comprehensive Income

ANALYTICAL STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

	Items	31/12/2025	31/12/2024
10.	Profit (loss) for the year	87,503	117,671
	Other income components without reversal to the income statement	459	(872)
20.	Equity securities designated at fair value through other comprehensive income:	(97)	(2,001)
	a) change in fair value	(97)	(2,001)
	b) transfers to other components of shareholders' equity	-	-
30.	Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness):	-	-
	a) change in fair value	-	-
	b) transfers to other components of shareholders' equity	-	-
40.	Hedging of equity securities designated at fair value through other comprehensive income:	-	-
	a) change in fair value (hedged item)	-	-
	b) change in fair value (hedging instrument)	-	-
50.	Property, plant and equipment	(288)	-
60.	Intangible assets	-	-
70.	Defined benefit plans	1,273	1,551
80.	Non-current assets and groups of assets classified as held for sale	-	-
90.	Portion of valuation reserves of equity-accounted investments	-	-
100.	Revenues or costs of a financial nature relating to insurance contracts issued	-	-
110.	Income taxes relating to other income components without reversal to the income statement	(429)	(422)
	Other income components with reversal to the income statement	447	381
120.	Foreign investment hedges:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
130.	Exchange rate differences:	-	-
	a) changes in value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
140.	Cash flow hedges:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
	of which: result of net positions	-	-
150.	Hedging instruments (non-designated elements):	-	-
	a) changes in value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
160.	Financial assets (other than equity securities) measured at fair value through other comprehensive income:	623	568
	a) changes in fair value	851	407
	b) reversal to income statement	(80)	38
	- adjustments for credit risk	8	(111)
	- gains/losses on disposal	(87)	149
	c) other changes	(149)	123
170.	Non-current assets and groups of assets held for sale:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
180.	Portion of valuation reserves of equity-accounted investments:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	- impairment losses	-	-
	- gains/losses on disposal	-	-
	c) other changes	-	-
190.	Revenues or costs of a financial nature relating to insurance contracts issued:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
200.	Revenues or costs of a financial nature relating to transfers under reinsurance:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
210.	Income taxes relating to other income components with transfer to the income statement	(176)	(188)
220.	Total other income components	905	(491)
230.	Comprehensive income (Item 10+220)	88,408	117,180
240.	Consolidated comprehensive income attributable to minority interests	4,066	4,336
250.	Consolidated comprehensive income attributable to the Parent Bank	84,341	112,844

Part E – Information on Risks and Related Hedging Policies

Introduction

Role of corporate bodies

The Parent Bank Cassa di Risparmio di Bolzano S.p.A., since its transformation into a joint-stock company in 1992, has adopted the administration and control system characterised by the presence of a Board of Directors and a Board of Statutory Auditors, both appointed by the Shareholders' Meeting, and decided to maintain this so-called "traditional" system also following the entry into force of the 2003 corporate law reform. Indeed, although Cassa di Risparmio di Bolzano S.p.A. is a company with a single majority shareholder (therefore the presence of a stable majority) and with the remaining shareholding structure characterised by small shareholders, the Shareholders' Meeting has always considered it to be of primary importance the existence of a clear separation between management and control activities.

Moreover, since May 2015, the management system of Cassa di Risparmio di Bolzano S.p.A. is characterised by the presence of the Chief Executive Officer; a figure that, due to the provisions of the Articles of Association in force, must correspond with that of the General Manager.

The role and duties of the Parent Bank's Corporate Bodies are governed by specific Regulations (of the Board of Directors, of the Board of Statutory Auditors, of the Chief Executive Officer and General Manager and in the Articles of Association). In addition, within the Board of Directors, the Risk and Sustainability Committee (intra-board committee) has been established and is entrusted with the tasks set forth in the Supervisory provisions, as well as, since January 2016, with the functions previously assigned to the Associated Parties Committee, a committee that was repealed in January 2016.

In summary:

- the Board of Directors is assigned **strategic supervision and management functions**;
- the Chairman of the Board of Directors is responsible for the legal representation of the Parent Bank and the use of the free corporate signature; the Chairman monitors the performance of the company, supervises the execution of the resolutions of the administrative bodies and chairs the Shareholders' Meeting and the Board of Directors;
- the Chief Executive Officer and General Manager is assigned the task of collaborating with the Board of Directors in carrying out **management functions**, *i.e.*, in implementing the guidelines resolved on by the Board of Directors in exercising its strategic supervision function;
- the Board of Statutory Auditors is assigned the **task of control**, *i.e.*, verifying the adequacy and compliance of the organisational system, the risk management system, the capital self-assessment system and the internal control system with the requirements set forth by the law and supervisory regulations.

Periodically, the Board of Directors carries out its own self-assessment to verify the correct and effective functioning of the Board and its adequate composition. In particular, the Board assesses the adequacy:

- of the procedures adopted to define the composition of the Board of Directors with respect to those set forth in the Law and Supervisory provisions as well as in the Articles of Association;
- the activities actually carried out by the Board of Directors with respect to those indicated by the Law, Supervisory and Articles of Association provisions that govern the role of the Board in various matters.

The Board of Statutory Auditors also carries out a self-assessment on its composition and functioning.

The Parent Bank decided in 2009 to adopt a **Supervisory Body (SB)**, established pursuant to Legislative Decree no. 231/2001. Since May 2015, the Supervisory Body has been assigned to the Board of Statutory Auditors of the Parent Bank.

The legal and supervisory provisions, in particular on corporate governance, establish that the internal control system (set of rules, functions, structures, resources, processes and procedures) is a fundamental element of the overall system of governance of banks, which must guarantee, in particular, the achievement of strategic objectives and corporate policies, the containment of risks, the effectiveness and efficiency of business processes, the reliability and security of company information and IT procedures, compliance of transactions with the law and supervisory regulations, as well as with internal policies, regulations and procedures, in addition to the prevention of the risk of the Bank being involved in any unlawful activities.

Taking into account the aforementioned objectives, Cassa di Risparmio di Bolzano, also in its capacity as Parent Bank of the "Cassa di Risparmio di Bolzano" Banking Group, has defined a **corporate organisational model** for the Group as a whole and for the individual components of the Group, aimed at enabling the continuous implementation of the applicable legal and supervisory provisions. The Bank has set up a **system of internal controls and risk management** aimed at identifying, measuring, managing and monitoring the risks of the Parent Bank and the Group on a continuous basis, which involves the Corporate Bodies, the company's internal control functions as well as the Supervisory Body pursuant to Legislative Decree no. 231/2001, whose functions have been assigned to the Board of Statutory Auditors; the company appointed to perform the statutory audit of the accounts also participates in the control system.

In this logic, the overall activities that the Group and its members are required to carry out to achieve the corporate objectives in compliance with legal and supervisory provisions and, therefore, with a view to sound and prudent management, are broken down into "Areas", which group together sets of "processes".

- Governance and Risk Management;
- Business;
- Support.

An additional "Area" relating to the regulations pertaining to "Corporate Governance" is added to these Areas.

The taxonomy of processes was also updated in 2025 to take into account organisational needs and the evolution of the external regulatory context.

Each process is divided into "phases" and each phase into "sub-phases/activities" to be put in place for carrying out the phase itself. For each sub-phase/activity, the steps to be taken for the concrete application of the criteria are then regulated. This makes it possible to identify, for each legal and supervisory provision in force or issued from time to time, the specific activities applicable to the Group and its members, as well as to refer these activities to the relevant processes.

The corporate organisational system governs the processes that define the organisational model adopted, the role of the Corporate Bodies, the delegated powers structure, the information flows and the role of the Group's members, the operational/management and risk governance and management processes, as well as the control processes set forth in the supervisory provisions.

In summary, according to the organisational model adopted:

- the criteria to be followed and the activities to be carried out are proposed by the organisational units responsible for the processes, supported by the organisation function as regards organisational aspects, validated by the compliance function for observance of external provisions (so-called regulatory compliance) and implemented in internal first-level regulatory sources (process regulations/Policies) with the approval of the body with strategic supervisory functions or by the Chief Executive Officer and General Manager (according to the delegation of powers);

- the operating procedures to be adopted, together with any IT procedures to be used for carrying out so-called complex activities, are governed and regulated in second-level internal regulatory sources (operating rules) by the relevant Organisational units, on the basis of the information provided by the Process Managers, after verification by the Compliance function of alignment with external provisions.

According to the organisational model, the execution of processes is assigned to one or more organisational units included in the organisation chart.

The role and responsibilities of the aforementioned units are governed by the regulations of the organisational structure (General Company Regulation); the duties of the control functions are also regulated in the respective process rules.

The definition of the corporate organisational model governing processes ensures compliance with the general organisation principles, as set forth in the Supervisory Provisions and in particular allows:

- operating and support units to be distinguished from control units;
- the professional skills needed to carry out the process phases to be identified;
- specific powers to be assigned, which are consistent with the management requirements of the process phases;
- the information that must be exchanged between the functions responsible for carrying out the phases of the process to be defined;
- the information to be transmitted by the units to the Corporate Bodies to be defined.

The individual organisational units periodically provide information, for the processes under their responsibility, on the activities carried out with respect to those governed by the law and supervisory provisions using a specific IT procedure indicating the company's processes and the units responsible for carrying them out. With reference to the deviations identified, adequate measures are then adopted for the purpose of their elimination, with a periodic monitoring of the state of implementation by the control functions.

Organisation of the risk management function

The Risk Management function reports directly to the body with strategic supervision, both hierarchically and functionally, collaborating with the management body and in particular with the Chief Executive Officer - General Manager with regard to administrative/management and information issues.

In compliance with the principle of independence, the Risk Management Department has the possibility to:

- access, with no restrictions, company and external data necessary for the performance of assigned tasks,
- access directly the corporate governance and control bodies,
- access financial resources, which can be activated independently, for the consultancy services necessary to carry out the assigned tasks.

The Risk Management Department is divided into the following structures:

- Credit Risk Service;
- Rating Desk Service;
- Financial Risks Service;
- Validation Service;

- Operational risks and cybersecurity;
- Integration of risks & ESG.

The responsibilities of the Risk Management Department can be summarised as follows:

- overseeing the processes for managing the risks (credit, market, interest rate on the banking book, structural and operational liquidity, operational, reputational, strategic, ICT and security, properties and model) to which the Subsidiary is exposed;
- ensuring the identification, measurement and monitoring, both timely and prospectively, of the material risks that the Company incurs;
- collaborating in defining and implementing the Risk Appetite Framework and the related risk measurement and monitoring procedures;
- measuring and assessing risks, capital and liquidity (ICAAP and ILAAP processes) from a current, forward-looking perspective and in the event of stress, as well as formulating an opinion:
 - on the adequacy of the Tier 1 capital and the Group's total internal capital (ICAAP Process);
 - - on the adequacy of the liquidity risk governance and management system of the Group (ILAAP Process);
- collaborating in defining the procedures for the identification and management of the most significant transactions, as well as verifying their consistency with the RAF;
- assessing the sustainability of the sizing of the equity and economic figures on the basis of the effects on the risk profile and capital adequacy;
- contributing to the definition of the risk framework from an ESG perspective, in particular by favouring the integration of climate and environmental risk profiles into risk measurement metrics and the identification of specific key risk indicators;
- analysing the risks of new products and services and those deriving from the entry into new operating and market segments, as well as assessing the potential risks associated with the outsourcing of certain business processes/activities;
- verifying the correct performance of monitoring credit exposures (second level controls);
- developing, validating and maintaining risk measurement, management and control systems in compliance with regulations and in line with best practice, interacting for this purpose with the functions responsible for the business processes concerned;
- carrying out the validation of internal risk measurement models (both for management and regulatory purposes);
- continuously assessing the adequacy of the risk management system;
- carrying out Rating Desk activities;
- supervising the quality of data for the information area where Risk Management is the Data Owner (AIRB parameters) by providing guidelines to ensure a certain qualitative level of the data under analysis, monitoring the resolution of the problems identified and preparing dedicated reporting to the corporate bodies.
- assuming the role of Specialist Compliance Officer, overseeing the regulatory areas as defined in the Policy "Compliance Model and Non-Compliance Risk Assessment" (19B012);

- carrying out the activities of competence, outsourced by the Subsidiaries in favour of the Parent Bank, in compliance with the provisions of the intra-group outsourcing contracts in force from time to time, respecting the service levels contractually defined.

Risk Appetite Framework

In compliance with supervisory provisions, the Group has defined the Risk Appetite Framework (RAF), i.e. the reference framework that defines, in line with the maximum assumable risk, the business model and the strategic plan,

- risk appetite, tolerance thresholds, risk limits;
- risk governance policies, reference processes necessary to define and implement them.

Therefore, the formalisation of the RAF must be considered in terms of integration of the overall internal control system and contributes to compliance with the principles of sound and prudent management.

The Risk Appetite Framework defines the Group's Risk Appetite, and is divided into "Equity", "Liquidity", "Business Risk", "Profitability" and "Anti-Money Laundering (AML)" categories in order to include all the relevant risk profiles to which the Group is exposed based on its operations. The RAF outlines the risk perimeter within which the company strategy is developed, defined at the time of planning, which in turn is outlined in the management policies of the main business areas (credit, commercial, investments, funding policy, etc.).

A further aspect that characterises the RAF is given by the definition of the internal control system, consisting of a set of rules, functions, structures, resources, processes and procedures, which ensures, in compliance with of sound and prudent management, the following purposes:

- containment and prevention of risk within the limits indicated in the reference framework for determining the Group's risk appetite;
- effectiveness and efficiency of processes, as well as the reliability and security of company information and IT procedures;
- compliance of transactions with the law and supervisory regulations, as well as with internal policies, regulations and procedures.

The implementation of such approach is ensured through the interaction between the Risk Management Department and the Planning and Control Function which, following the performance of the processes pertaining thereto, prepare respectively the Risk Appetite Statement (RAS) and the Strategic Plan/Budget in a coordinated and consistent manner.

In compliance with the above, the RAF makes it possible to define (ex ante) an effective corporate risk management strategy and is a prerequisite for an efficient risk management process. Therefore, the process of defining the RAF cannot be misaligned with respect to the company's strategic choices and the related budgets, the particular business model adopted, as well as the overall risk level that derives from it.

The definition of the risk appetite is also a useful management tool that, in addition to allowing a concrete application of prudential provisions, allows:

- the ability to govern and manage company risks to be strengthened;
- the strategic process to be supported;
- the development and dissemination of an integrated risk culture to be facilitated;
- a rapid and effective system for monitoring and communicating the risk profile assumed to be developed.

The RAF, taking into account the strategic plan and the significant risks identified and having defined the maximum risk that can be assumed, indicates the types of risk that the Group intends to assume and sets the risk objectives and the tolerance thresholds. For each identified parameter, the following are defined:

- the level of risk appetite, *i.e.*, the level of risk (overall or by type) that the Group intends to assume in order to pursue its strategic objectives;
- the level of risk tolerance, *i.e.*, the maximum deviation from the risk appetite allowed; it must ensure sufficient margins to operate even under stress conditions within the maximum assumable risk;
- the level of risk capacity, *i.e.*, the maximum level of risk that the Group is technically able to assume without violating the regulatory requirements or other restrictions imposed by the Supervisory Authority or by the shareholders.

In compliance with the above, the Parent Bank has defined the “risk appetite definition and control process”, dividing it into the following steps:

- the first step contemplates the methods by which the Group's governing bodies define ex ante, in relation to the Group's risk-taking capacity, the level of risk within which to develop the business. The definition of the risk appetite is the result of a process that, starting from the identification and analysis of risks, identifies, qualifies and quantifies the risk objectives and the tolerance thresholds; these elements express, at the highest level, the guidelines of the governing bodies on the subject of risk assumption in the implementation of corporate strategies. The risk appetite is formalised in a specific document submitted to the Board of Directors for approval;
- the second step provides for the definition of the risk appetite in terms of operating limits and risk indicators. In particular:
 - **operating limits** represent a risk mitigation and management tool as they guide and define the choices in the different segments (credit, financial, etc.). The operating limits are commensurate with the business model, strategic lines and operational complexity;
 - the **risk indicators**, though depending on risk management, are not directly or sufficiently governed by the operating units responsible for carrying out the individual processes, and therefore provide reference signals for verifying whether the quality of processes, exposures and related costs (in terms of both expected loss and unexpected loss) are consistent with the risk objectives.

The selection of operating limits and risk indicators and their calibration, in compliance with the risk objectives and tolerance thresholds approved by the Board of Directors, is delegated by the Board of Directors to the Risk Monitoring Committee;

- the third and last phase of the process defines the methods for controlling the risk objectives, the operating limits and the risk indicators, as well as for representing the results of the aforementioned controls with respect to the competent Corporate Bodies and functions. In this regard, it is specified that control means both the methods for qualifying the measurements of the phenomena subject to control with respect to what is defined in terms of risk objectives, tolerance thresholds, operating limits and risk indicators, and the procedures to be adopted in the event of violations (“Escalation procedures”). In particular, these procedures define the operating actions to be carried out in the specific situations identified with a clear evidence of the roles and responsibilities of the Bodies and functions involved and the related timelines.

The internal reporting system is aimed at ensuring full knowledge and governance of the risks as well as the verification of compliance with the RAF to the Corporate Bodies, Control Functions and individual functions involved in their management. The preparation and dissemination of reports at the various levels of the company is aimed at enabling effective controls over exposure to risks, highlighting the presence of anomalies in the risk

evolution, verifying compliance with the risk appetite, operating limits and the risk indicators, raising awareness of the risks assumed and assumable, as well as providing the information necessary to monitor the effectiveness of risk mitigation tools. The reporting system also provides an overview of the mitigation initiatives undertaken and their progress.

Risk culture and vision

For the Group, the existence of a solid risk culture is a pre-requisite that certainly acts as a “facilitator” for the development and implementation of an effective RAF. At the same time, the adoption of the RAF generates a process of strengthening the corporate culture on risks and the understanding of risks, at all levels, capable of effectively guiding and directing the behaviour of staff (also on risks that are difficult to quantify) as this represents the foundation for effective risk management.

Together with the adequate definition of the RAF and a strong risk culture, the RAS (Risk Appetite Statement), which provides the strategic guidelines on the risk and the behaviour expected by the structure, contributes to spreading the risk culture of the Group among its staff, especially if used in connection with a staff performance evaluation system.

The nature of the Group and the principles set out in the Code of Ethics and in the internal regulations constitute the value framework that gives the company management consciously prudent directions, aimed on the one hand at strengthening the capital and on the other at guaranteeing adequate profitability as a basis for perpetuating the promotion and well-being of customers, shareholders and the reference area over time. The operating model is characterised by a strong focus on traditional brokerage, favouring the financial inclusion and access to credit by households and small and medium-sized undertakings. In the reference area it is focused not only on operations but also on decision-making powers, balancing the risks of concentration and conflict of interest with the adoption of specific regulations and governance controls.

The Group's risk appetite is therefore strongly conditioned by its institutional purpose and precisely in consideration of its “mission”, the Group pursues a general management strategy based on a **limited risk appetite** and a conscious assumption thereof, which is expressed:

- in rejecting transactions that may compromise the profitability and soundness of the Group;
- in the non-admissibility of technical forms that involve the assumption of risks that are not consistent with the Group's risk objectives;
- in the diversification of exposures, in order to contain their concentration;
- in acquiring the guarantees necessary for risk mitigation;
- in the Group's focus on traditional brokerage activities;
- in simplifying business processes and the organisational structure.

Section 1 - Risks of the banking group

1.1 Credit risk

QUALITATIVE INFORMATION

1. General aspects

The development lines of credit activities are defined in the credit policy approved by the Board of Directors, and consequently incorporated in the annual budgets. For the granting of new loans, selective and specific criteria were defined, while for the classification of the existing loan, and the related allocations, criteria based on greater prudence were adopted in evaluating the prospects for recovery and, more generally, the prospective solvency of customers.

In order to guarantee an effective control of the credit risk, a monitoring system has been set up, based on a strict focus on anomalous phenomena and a timely evaluation of the data, in order to undertake, as quickly as possible, the appropriate actions to mitigate the risk.

The monitoring of the loan portfolio also includes the identification of exposure to climate/environmental risk and in particular to physical and transition risk.

The potential impacts of physical and transition risk exposure are taken into account in the balance sheet collectives through management overlays.

2. Credit risk management policies

2.1 Organisational aspects

The risk management process is defined as the set of rules, procedures, resources (human, technological and organisational) and control activities aimed at identifying, measuring or assessing, monitoring, preventing or mitigating and communicating to the appropriate hierarchical levels all risks assumed or assumable in the different segments and at the level of the Group's portfolio, taking advantage, in an integrated logic, of the reciprocal interrelationships and the evolution of the external context.

The credit risk management process is divided into the following phases:

- Credit risk identification;
- Credit risk measurement;
- Credit risk monitoring;
- Credit risk prevention/mitigation;
- Credit risk reporting and communication.

2.2 Management, measurement and control systems

Further details on the credit risk management process are provided below:

2.2.1 Credit risk identification

The first phase of the risk management process consists in framing the credit risk, defined as the "risk that a reduction in the value of a credit exposure is generated in correspondence with an unexpected worsening of the creditworthiness of the borrowing counterparties, including the manifest inability to fulfil all or part of their contractual obligations", and in the subsequent identification of the sources that generate it.

The transactions potentially exposed to credit risk can therefore be identified in all exposures, including financial instruments, present in the banking book and off-balance sheet, with the sole exception of positions allocated in the trading book.

The identification of the sources of credit risk is carried out by the Risk Management Function with the involvement of the operating functions that participate in the business processes of Credit and Finance, on which this risk is based. In particular, in order to identify the factors that generate credit risk, the Risk Management Function constantly monitors:

1. all loans (on-balance sheet exposures and off-balance sheet transactions);
2. transactions in financial instruments classified in the banking book;
3. cash and cash equivalents;
4. investments in property, plant and equipment and intangible assets.

The above elements referred to in points 2., 3. and 4., in compliance with supervisory provisions, fall within the scope of exposures subject to the regulation of the standardised methodology for the measurement of the capital requirement against credit risk.

2.2.2 Credit risk measurement

The measurement of credit risk must be assessed by distinguishing between measurement for regulatory purposes, identified in the measurement of the capital requirement against credit risk, and measurement for management purposes, which identifies synthetic risk measures and more detailed indicators functional to risk assessment and the subsequent monitoring phase.

As from the supervisory report as at 30 June 2025, in accordance with the Bank of Italy's Communication protocol No. 1294038/25 of 24 June 2025 and the Bank of Italy's Communication protocol No. 1293483/25 of 24 June 2025, the Group is authorised to use, for the purposes of calculating capital requirements on an individual and consolidated basis, the A-IRB internal credit risk measurement system for the «Retail» and «Corporate» exposure classes of the Parent Bank Sparkasse, whilst also applying the corrective factors, in terms of floors and add-ons, envisaged in the Bank of Italy's Provision of 24 May 2023.

It should be noted that the Parent Bank measures credit risk in accordance with the standardised methodology, adopting the following approaches:

- with reference to the overall banking book (therefore without taking into account the authorisation to use internal models). This measurement serves to quantify the reference amount on which to determine the so-called "output floor";
- with reference solely to those exposures within the overall banking book that do not fall within the scope of application of internal models and fall within the scope of Partial Permanent Use (so-called PPU). This quantification contributes to the determination of the overall capital requirement for credit risk, to which must be added, precisely, the component determined in accordance with the application of internal models.

The measurement of credit risk for operating purposes involves specific quantitative calculations on the evolution of loans to customers, credit quality, performance of impaired positions, the relative degree of coverage, as well as the composition of loans by rating class and the trend of risk parameters PD, LGD and EAD.

Exposure to credit risk is also subjected, at least annually as part of the ICAAP process, to stress tests aimed at assessing the impacts on internal capital (and on equity) of extreme but plausible values of the risk factors.

2.2.3 Credit risk monitoring

The monitoring of credit risk refers to the activity of gathering and organising in a structured manner the results obtained from the measurement and assessment activities, as well as further quantitative and qualitative findings that support the analysis of exposure to the risks in question and the verification of compliance with the RAF indicators. It is divided into:

a) analysis of credit risk exposure, which considers:

- the capital requirement;
- the nature and composition of the portfolio;
- the quality of the portfolio;
- the degree of coverage of loans;
- the risk mitigation techniques.

Through the internal rating system, the Risk Management Function carries out specific analyses on the credit quality of both the overall credit portfolio and specific counterparties. In particular, these controls concern:

- an analysis of distribution by customer segment;
- an analysis of distribution by rating class of the overall portfolio and of each segment;
- an analysis of the composition of the loan portfolio and HTC securities divided by staging (Stage 1, Stage 2, Stage 3);
- an analysis of the transitions by staging (Stage 1, Stage 2, Stage 3);
- an analysis of the rating transitions (so-called "Transition matrices");
- an analysis of the evolution of the Probability of Default (PD), of the Loss Given Default (LGD) and of the Exposure at Default (EAD), as well as of the Expected Credit Loss (ECL);
- the accuracy/performance analysis of the models adopted;
- an analysis by economic sector and by sectors with a high or very high environmental and climate risk;
- a portfolio analysis by macro-level technical category and loss given default (LGD) and exposure at default (EAD);
- the analysis of concentration by exposure classes and types of guarantees with evidence of those that are eligible or otherwise
- an analysis of the loan portfolio in relation to the presence of state guarantees;
- an analysis of the portfolio of guaranteed bank bonds;
- an analysis of the effectiveness of guarantees in terms of back-testing;
- monitoring of the securitised portfolio;
- an analysis of the AIRB regulatory parameters of PD, LGD and EAD, RWA and Risk Density.

b) the controls on Rating Attribution activities

The Rating Desk structure was established to oversee the Rating Attribution process.

The main responsibilities assigned to the Rating Desk structure include:

- the assessment of Override requests;
 - controls on Quality Questionnaires;
 - second level controls on the adequacy of the Rating Attributions carried out by the Managers.
- c) second-level control over the monitoring of credit exposures, both massive and sample-based.

The controls of the Risk Management function in this area are defined in order to ensure, on a periodic basis, that the monitoring of credit exposures, the classification of exposures, the allocations and the recovery process are carried out in compliance with internal procedures and that the same procedures are effective and reliable, with reference to the ability to promptly report the emergence of anomalies as well as to ensure the adequacy of value adjustments and related losses.

2.2.4 Credit risk prevention/mitigation

In general, the management strategy aims to contain the degree of exposure to credit risk within the values indicated in the risk appetite.

The main mitigation measures implemented to prevent credit risk, whose objective is to achieve a conscious assumption of the risk, are identified by:

- a) Prior opinions on the consistency with the RAF in the presence of most significant transactions;
- b) Prior opinions on the adequacy of allocations and/or classification as part of the second-level monitoring of credit exposures;
- c) Prior risk assessments with regard to new products and services, activities and markets;
- d) Contribution to the definition and implementation of the credit policy and of the NPL plan in compliance with the risk objectives;
- e) Appropriate decision-making procedures with reference to transactions with associated parties;
- f) Definition and updating of the operating limits, *i.e.*, the set of threshold values to be referred to in order to limit the exposure to the risk in question and guide the choices concerning the management of credit risk. The criteria to be followed and the activities to be carried out for their identification are governed, in general for all risks, as part of the internal regulations on the Risk Appetite Framework.

With regard to credit risk mitigation (CRM) techniques, reference is mainly made to guarantees and any securitisation transactions, the management of which is primarily the responsibility of the Lending Department and is governed in the Policy on the Governance of Credit Risk Mitigation and in the Credit Process Regulation.

2.2.5 Credit risk reporting and communication

The reporting and communication of credit risk refers to the preparation of appropriate information to be provided to the Corporate Bodies and other functions regarding the risks assumed or assumable in the various segments, with the understanding, in an integrated logic, of the mutual interrelationships and the evolution of the external context.

2.3 Methods for measuring expected losses

Assessment of Significant Increase in Credit Risk (SICR)

IFRS 9, which came into effect on 1 January 2018, sets out the rules governing the impairment of financial assets, specifying how they are to be measured.

With regard to these rules on the impairment of financial assets, it should be noted that:

- the IASB has adopted a single "Expected Loss" (EL) approach for the impairment of financial assets, which replaces the incurred credit loss model envisaged by IAS 39, foreseeing greater alignment with the overall Risk Management framework and an increase in Disclosure;
- the initial classification of financial assets is carried out in Stage 1, whilst subsequent migration to other Stages is based on the deterioration in credit quality recorded (risk-relative approach). In particular, the approach envisages the allocation of financial assets into three Stages, in relation to the level of credit risk inherent in the instrument;
- provisions are calculated as the 12-month Expected Loss for financial assets classified in Stage 1 and as the lifetime Expected Loss for the other two stages.

The general approach of IFRS 9 for estimating impairment is based on a process that aims to identify the deterioration in the credit quality of a financial instrument at the reporting date compared to the date of initial recognition (Origination).

The regulatory guidance on the allocation of loans to the various "stages" envisaged by IFRS 9 ("staging" or "stage allocation") requires significant changes in credit risk to be identified making reference to the following key aspects:

- the change in the probability of default compared to the initial recognition of the financial asset;
- the expected life of the financial asset;
- the forward-looking information that may influence credit risk.

Monitoring for significant credit impairment should be carried out individually for each financial instrument, except in the case of financial instruments with common risk characteristics (initial recognition on a collective basis).

IFRS 9 introduces the concept of Stages for the classification of loans. This approach envisages three stages, each with distinct methodologies for calculating the losses to be recognised, specifically:

- **Stage 1 (performing):** this bucket includes performing financial assets that have not experienced a significant increase in credit risk since origination or that fall within the Low Credit Risk category.

Low credit risk is characterised by a low risk of default, by the counterparty's ability to meet its short-term contractual cash flow obligations, even though adverse changes in longer-term economic and commercial conditions may reduce, but will not necessarily reduce, the counterparty's ability to meet its contractual cash flow obligations. Loans are not considered to be of low credit risk where they are deemed to have a low risk of loss solely on the basis of the value of the collateral, and the loan without such collateral would not be considered to be of low credit risk. For this stage, the one-year expected loss is calculated on a collective basis;

- **Stage 2 (underperforming):** this bucket includes performing financial assets outside the Low Credit Risk category for which there has been a significant increase in credit risk (SICR – "significant increase in credit risk") between the origination date and the reporting date.

In general, a significant increase in credit risk occurs before the financial asset deteriorates or an actual default situation arises. The significance of a change in credit risk following initial recognition also depends on the risk of default at the date the relationship originated. Therefore, a given change, in absolute terms, in the risk of default will be more significant for a loan with a lower initial risk of default than for one with a higher initial risk of default.

For this bucket, the expected loss must be calculated on a lifetime basis, i.e. over the entire duration of the instrument, on a collective basis;

- **Stage 3 (non-performing):** this bucket includes all loans classified as in default as at the reporting date, i.e. all loans with an administrative status of past-due for 90 Days, unlikely to pay or non-performing. For this stage too, the expected loss must be calculated on a lifetime basis, but it must be calculated analytically.

During 2025, the Parent Bank continued with the careful monitoring of the loan portfolio in order to identify and carefully assess potential impacts linked to customer credit deterioration.

Measurement of expected losses

During 2025, the models for measuring expected losses, which use the AIRB parameters (PD, LGD and EAD) were constantly monitored and updated by the Parent Bank based on the macroeconomic and geo-sectoral forecasts.

In order to take into account the international macro-economic and geo-political context, the Group updated the satellite model to include the latest macroeconomic forecasts and, on a prudential basis, specific management overlays were carried out on the balance sheet collectives on customer segments particularly exposed to credit risk and on sectors exposed to high and very high physical and transition risk.

2.4 Credit risk mitigation techniques

In order to mitigate credit risk, the Parent Bank acquires typical bank guarantees, such as collateral on properties and financial instruments and personal guarantees.

The Parent Bank is carefully monitoring the use of these techniques in order to ensure their correct application also for the purposes of potential capital savings.

The management of real estate collateral reflects the provisions of current regulations; the property subject to mortgage collateral is appraised by an independent appraiser and the monitoring measures provided for by the regulations are activated on the property itself, and in particular:

- the value of residential properties is verified with the aid of statistical methods at least every three years or more frequently, also by making new estimates, in the event that market conditions are subject to significant changes;
- the value of non-residential properties is verified with the aid of statistical methods every year or more frequently, also by making new estimates, in the event that market conditions are subject to significant changes;
- every 3 years, a new estimate is made by an independent expert for all exposures exceeding Euro 3 million or more than 5% of the Bank's Own Funds.

The values of real estate collateral for positions classified as unlikely to pay or bad loans, for credit exposures over EUR 300.00, are updated with a new appraisal by an independent appraiser with a maximum frequency of 12 months or sooner if deemed necessary.

The standard contracts adopted by the Parent Bank comply with the general requirements aimed at ensuring legal certainty and the effectiveness of the guarantees themselves.

The Group does not activate offsetting agreements relating to on- and off-balance sheet transactions; there are also no credit derivatives.

3. Impaired credit exposures

The criteria adopted by the Group regarding the classification of receivables are consistent with the International Accounting Standards and with the instructions of the Bank of Italy and EBA (European Banking Authority).

The classification in the "Bad loans" category refers to on- and off-balance sheet exposures to a party in a state of insolvency (even if not legally ascertained) or in substantially comparable situations, regardless of any loss forecasts made by the Parent Bank.

Beyond the situations ascertained by official acts (bankruptcy procedures, recurrent protests, injunctions, etc.), the difficulty shown by the customer in overcoming persistent economic-financial imbalances, such as to confirm - albeit with a variable degree of probability - its inability to meet the commitments undertaken, is of relevance.

The classification into the category Unlikely to pay is the result of the Parent Bank's opinion on the improbability that, without recourse to actions such as enforcement of guarantees, the debtor will fully meet its credit obligations (in terms of principal and/or interest).

The Guidelines on the new definition of default (EBA/GL/2016/07) have also introduced specific rules to evaluate the propagation of the default on the basis of existing links with positions (co-obligations, group links, etc.) classified as default.

The classification in the risk category of impaired past due and/or overrun exposures concerns on-balance sheet exposures, other than those classified as bad loans or unlikely to pay, which, at the reporting reference date, are past due or overrun.

The past due or overrun must be continuous, or must persist for 90 consecutive days.

In the case of exposures repayable by instalments, the rules set out in Article 1193 of the Civil Code apply to the allocation of payments to the individual instalments past due, unless otherwise specifically agreed in the contract.

In the case of "revocable" overrun facilities in which the credit limit granted has been exceeded (even if as a result of the capitalisation of interest), the default occurs - whichever occurs first - from the date of the first non-payment of interest resulting in the overrun or from the date of the first demand for repayment of principal.

For the purpose of verifying the thresholds, all exposures of the reporting bank to the same debtor are taken into consideration. Equity instrument exposures are excluded.

For the purpose of determining the amount of past due and/or overrun exposure, there is no provision for offsetting past due amounts against open and unused credit lines (available margins).

The overall exposure to a debtor must be recognised as impaired past due and/or overrun, if, on the reference date of the report, the amount of the principal, interest or commissions not paid on the date in which it was due exceeds both of the following thresholds:

- a) absolute limit equal to Euro 100 for retail exposures and equal to Euro 500 for exposures other than retail ones.
- b) 1% relative limit given by the ratio of the past due and/or overrun total amount to the total amount of all credit exposures regarding the same debtor (including the exposures sold and not derecognised for financial statements purposes).

In accordance with the provisions of the Guidelines on the new definition of default (EBA/GL/2016/07), it is necessary to consider the following credit obligations among the past due and/or overrun exposures due to the propagation of default:

- a) all joint credit obligations to a pool of debtors (co-obligations) and all individual exposures to such debtors where a joint credit obligation of two or more debtors is classified as past due, unless there is justification for inappropriately recognising the default of individual exposures;

- b) the credit obligations of a person fully responsible for the obligations of a company, if the latter is classified under past due (e.g. surety shareholder of a partnership).

The technical-organisational procedures used in the management and control of non-performing loans are structured in relation to the degree of anomaly of the position.

With regard to unlikely to pay and impaired past due and overrun exposures, performance monitoring is carried out with periodic reviews in order to assess:

- the reversibility or otherwise of the economic-financial difficulties of the counterparties;
- the regularity of the repayment plans presented by debtors;
- in the case of positions subject to forbearance, it is necessary to examine the outcome of the initiatives taken to normalise/restructure the loans (repayment plans, revisions of the technical form of use, etc.)
- determination on a regular basis according to the policy in force of the forecasts of losses for loans classified as "unlikely to pay" and for exposures past due and overrun.

With reference to bad loans, recovery and monitoring activities are carried out by essentially performing the following activities, which also include periodic reviews of the positions:

- revocation, for the new positions, of credit lines and solicitation of debtors to settle their exposures;
- initiation and completion of acts of penalty through the assistance of internal and/or external lawyers towards debtors who have neither responded to solicitations nor submitted debt repayment plans;
- assessment, for positions already in recovery, of compliance with the expected repayment plans;
- determination on a regular basis according to the policy in force of the loss forecasts for loans classified as bad loans.

As far as the return of impaired exposures to performing status is concerned, with therefore also their reallocation among live loans (to default) if non-performing, this is carried out in compliance with current legislation and with the debtor's recovery of full solvency conditions and the regularisation of the risk position and evidence of the restoration of the debtor's economic and financial capacity.

3.1 Management strategies and policies

Non-performing loans include past due and/or overrun loans, unlikely to pay loans (UTP) and bad loans. Its regulatory definition is established by the Bank of Italy "Matrix of Accounts" - Circular no. 272 of 30 July 2008, as updated, in compliance with European legislation. Non-performing loans also include non-performing exposures subject to forbearances that correspond to the "non-performing exposures with forbearance measures" as defined in Annex V of the Executive Regulation of the Commission 680/2014 of 16/04/2014 as amended by the Executive Regulation of the Commission 1627/2018 of 09/10/2018.

The main levers for the management of non-performing loans are as follows:

1. on a preliminary basis, limiting the inflow of new non-performing loans with proactive management at various levels, also combined and/or with escalation (sales network, phone collection, centralised management with ad hoc structure, etc.);
2. have an appropriate and updated set of information relevant for management purposes, with particular relevance of the Loss Given Default, and continue with an adequate historicisation of the information considered strategic and functional to be able to draw up an efficient recovery plan consistent with management strategies of the NPL portfolio in line with the reduction objectives that the Bank has provided for in the NPL Plan approved by the Board of Directors according to the defined time horizon;

3. continuously monitor the performance of the NPL portfolio in terms of effectiveness, efficiency and compliance with the NPL Plan approved by the Board of Directors.

3.2 Write-offs

The Write-off, as defined in Circular No. 262 Credit and Financial Supervision of 22 December 2005 - 5th update, is an event that gives rise to an accounting derecognition when there are no longer reasonable expectations of recovering the financial asset (see IFRS 9, paragraphs 5.4.4, B5.4.9 and B3.2.16 (r)). It may occur before the legal actions taken for the recovery of the financial asset are completed and does not necessarily involve the waiver of the legal right to recover the loan by the bank.

The write-off may concern the entire amount of a financial asset or a portion of it and corresponds to:

- the reversal of total value adjustments, as an offsetting entry to the gross amount of the financial asset, and
- for the part exceeding the total value adjustments, the impairment of the financial asset recognised directly in the income statement.

As part of the analysis of the impaired portfolio, the responsible structure within the Credit Institution evaluates, on a pre-defined basis, the credit positions for which it is considered that the prerequisites for write-off as mentioned above exist and are in accordance with the internally defined criteria, in order to submit a suitably motivated proposal for the partial or total derecognition of the receivable to the competent decision-making body.

3.3 Purchased or originated impaired financial assets

The accounting standard IFRS 9 (B 5.4.7) identifies the "Purchased Originated Credit Impaired" positions, known as "POCI", i.e. exposures that are impaired on the date of purchase or on which they originated.

If, upon initial recognition, a credit exposure is recorded under item 30. "Financial assets measured at fair value through other comprehensive income" or 40. "Financial assets measured at amortised cost", is impaired, it is classified as "Purchased or Originated Credit Impaired - POCI".

A financial asset is considered impaired at the time of initial recognition because the credit risk is very high or, in the case of a purchase, it is acquired with large discounts. With reference to financial assets classified as "POCI" at the time of their initial recognition, the effective interest rate must be "adjusted" for impairment losses measured over the expected life of the instrument (Credit-adjusted EIR). The rate thus determined must be applied to the net carrying amount of the financial asset from the moment of its initial recognition. However, this does not mean that an effective interest rate adjusted for the loan should be applied just because the financial asset presents a high credit risk at the time of initial recognition.

At the reporting date, the Bank should recognise only cumulative changes in expected losses over the life of the loan from the time of initial recognition as a provision to cover losses on purchased or originated impaired financial assets.

For purchased or originated impaired financial assets, the expected losses on loans must be discounted using the effective interest rate adjusted for the loan, determined at the time of initial recognition.

Cassa di Risparmio di Bolzano identifies as "Purchased or originated impaired financial assets", "POCI", in compliance with IFRS 9 and on the basis of internal methodologies, the following types of financial assets (loans):

- credit exposures already originated with impaired status (stage 3);
- credit exposures originated as a result of restructuring transactions of impaired exposures that resulted in the origination of new loans, which are significant in absolute or relative terms, proportionally to the amount of the original exposure. In this regard, in order to be considered significant, the origination of new loans must amount to more than 10% of the value of the previously outstanding restructured

positions. The disbursements of new loans of less than 10% of the restructured positions, but of an amount exceeding Euro 500 thousand, will also be considered as "POCI";

- credit exposures purchased with impaired status.

It should be noted that in the case of the granting of new credit lines, only the new ones will be considered "POCI". If instead the restructured position replaces previous positions and, on the basis of the criteria defined above, a "POCI" financial asset is configured, the entire restructured position will be considered as such.

4. Financial assets subject to commercial renegotiations and exposures subject to forbearances

In the face of the debtor's credit difficulties, the exposures may be subject to changes in the contractual terms in favour of the debtor in order to make the repayment sustainable. Depending on the subjective characteristics of the exposure and the reasons underlying the debtor's credit difficulties, the changes may take effect in the short term (temporary suspension from payment of the principal amount of a loan or extension of a maturity) or in the long term (extension of the duration of a loan, revision of the interest rate) and lead to the classification of the exposure (both performing and impaired) as "forborne". Forborne exposures are subject to specific provisions in terms of classification, as indicated in the ITS EBA 2013-35; if the forbearance measures are applied to performing exposures, these fall within the category of stage 2 exposures. All exposures classified as "forborne" are included in specific monitoring processes by the relevant corporate functions.

Specifically, these functions, through the support of adequate IT procedures, monitor the effectiveness of the measures granted, identifying any improvements or worsening in the customer's financial position after the forbearance. If, at the end of the monitoring period, the position complies with all the criteria envisaged by the relevant legislation, said position is no longer considered among the "forborne" loans; otherwise it continues to remain among the "forborne" exposures.

The commercial network has the right, should it deem it appropriate, to revise the conditions applied to customer exposures even in the absence of financial difficulties, within the scope of the autonomy in force from time to time.

In this case, the exposure does not fall within the category of "forborne" exposures.

SECTION 1 - RISKS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Quantitative disclosure

A. Credit quality

A.1 Impaired and non-impaired credit exposures: amounts, value adjustments, trends and economic breakdown

A.1.1 Breakdown of financial assets by portfolio and credit quality (carrying amounts)

Portfolios/quality	Bad loans	Unlikely to pay	Impaired past due exposures	Non-impaired past due exposures	Other non-impaired exposures	Total
1. Financial assets measured at amortised cost	15,653	173,946	1,032	18,338	12,793,939	13,002,909
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	537,895	537,895
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	5,983	5,983
5. Financial assets held for sale	-	-	-	-	46	46
Total 31/12/2025	15,653	173,946	1,032	18,338	13,337,863	13,546,833
Total 31/12/2024	23,586	161,193	2,755	22,926	13,208,446	13,418,906

Pursuant to the instructions provided by the Bank of Italy for the preparation of the financial statements, for the purposes of the quantitative disclosure on credit quality shown in this and in the following tables, it should be noted that:

- the term "credit exposures" excludes equity securities and UCITS units
- the term "exposures" includes equity securities and UCITS units.

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

Portfolios/quality	Impaired				Non-impaired			Total (net exposure)
	Gross exposure	Total value adjustments	Net exposure	Total partial write-offs*	Gross exposure	Total value adjustments	Net exposure	
1. Financial assets measured at amortised cost	356,344	(165,713)	190,631	17,669	12,865,942	(53,665)	12,812,278	13,002,909
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	538,074	(179)	537,895	537,895
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	5,983	5,983
5. Financial assets held for sale	-	-	-	-	46	-	46	46
Total 31/12/2025	356,344	(165,713)	190,631	17,669	13,404,062	(53,844)	13,356,201	13,546,833
Total 31/12/2024	370,432	(182,898)	187,534	30,236	13,283,180	(58,793)	13,231,372	13,418,906

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

Portfolios/quality	Assets of obvious poor credit quality		Other assets
	Cumulative losses	Net exposure	Net exposure
1. Financial assets held for trading	-	-	31,393
2. Hedging derivatives	-	-	58,679
Total 31/12/2025	-	-	90,072
Total 31/12/2024	-	-	65,619

SECTION 2 - RISKS OF PRUDENTIAL CONSOLIDATION

A.1.1 Prudential consolidation - Breakdown of financial assets by past due brackets (carrying amounts)

Portfolios/risk stages	First stage			Second stage			Third stage			Purchased or originated impaired		
	Up to 30 days	For over 30 days up to 90 days	Over 90 days	Up to 30 days	For over 30 days up to 90 days	Over 90 days	Up to 30 days	For over 30 days up to 90 days	Over 90 days	Up to 30 days	For over 30 days up to 90 days	Over 90 days
1. Financial assets measured at amortised cost	5,873	-	-	929	10,830	674	425	6,644	69,289	-	49	1,232
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	5,873	-	-	929	10,830	674	425	6,644	69,289	-	49	1,232
Total 31/12/2024	5,227	-	-	2,906	13,213	1,568	565	6,087	75,249	-	749	3,589

A.1.2 Prudential consolidation – Financial assets, commitments to disburse funds and financial guarantees issued: trend in total value adjustments and total allocations

Reasons/Stages of risk	Total value adjustments											
	Assets included in the first stage						Assets included in the second stage					
	Loans to banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Loans to banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs
Opening total adjustments	91	14,585	61	-	34	14,704	-	43,990	110	-	110	43,990
Increases from purchased or originated financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Derecognitions other than write-offs	(8)	(3,553)	(29)	-	(2)	(3,588)	-	(3,273)	-	-	-	(3,273)
Net value adjustments/write-backs for credit risk (+/-)	32	3,819	68	-	20	3,900	-	(1,022)	(32)	-	(32)	(1,022)
Contractual amendments without cancellations	-	-	-	-	-	-	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in the income statement	-	-	-	-	-	-	-	(3)	-	-	-	(3)
Other changes	-	765	-	-	-	765	-	(160)	-	-	-	(160)
Total closing adjustments	116	14,086	101	-	52	14,251	-	39,533	78	-	78	39,533
Recoveries from collections on financial assets subject to write-offs	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recognised directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-

A.1.2 Prudential consolidation - Financial assets, commitments to disburse funds and financial guarantees issued: trend in total value adjustments and total allocations

Reasons/Stages of risk	Total value adjustments											Total allocations on commitments to disburse funds and financial guarantees issued				Total
	Assets included in the third stage						Purchased or originated impaired financial assets									
	Loans to banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	First stage	Second stage	Third stage	Purchased and/or originated impaired commitments to disburse funds and	
Opening total adjustments	-	173,128	-	7,588	180,605	111	2,210	-	-	2,181	29	1,007	2,192	11,493	-	256,456
Increases from purchased or originated financial assets	-	-	-	-	-	-	X	X	X	X	X	-	-	-	-	-
Derecognitions other than write-offs	-	(42,388)	-	(7,588)	(49,950)	(26)	(224)	-	-	(224)	-	(423)	(1,109)	(2,974)	-	(61,568)
Net value adjustments/write-backs for credit risk (+/-)	-	38,007	-	-	37,708	299	(213)	-	-	(201)	(12)	578	2,191	1,276	-	44,705
Contractual amendments without cancellations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in the income statement	-	(5,115)	-	-	(5,115)	-	(593)	-	-	(593)	-	-	-	-	-	(5,710)
Other changes	-	925	-	-	1,235	(310)	-	-	-	(2)	2	87	(135)	48	-	-
Total closing adjustments	-	164,557	-	-	164,482	74	(1,181)	-	-	1,162	19	1,249	3,139	9,843	-	233,883
Recoveries from collections on financial assets subject to write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recognised directly in the income statement	-	(116)	-	-	(116)	-	-	-	-	-	-	-	-	-	-	(116)

A.1.3 Prudential consolidation – Financial assets, commitments to disburse funds and financial guarantees issued: transfers between different stages of credit risk (gross and nominal amounts)

Portfolios/risk stages	Gross amounts/nominal amount					
	Transfers between first stage and second stage		Transfers between second stage and third stage		Transfers between first stage and third stage	
	From first stage to second stage	From second stage to first stage	From second stage to third stage	From third stage to second stage	From first stage to third stage	From third stage to first stage
1. Financial assets measured at amortised cost	479,121	377,105	65,900	9,151	35,897	4,567
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees issued	145,451	56,520	3,625	2,881	6,353	2,357
Total 31/12/2025	624,572	433,625	69,525	12,031	42,250	6,924
Total 31/12/2024	627,438	791,919	52,355	28,336	88,630	15,061

A.1.4 Prudential consolidation - On- and off-balance sheet credit exposures to banks: gross and net amounts

Types of exposures/values	Gross exposure					Total value adjustments and total allocations					Net exposure	Total partial write-offs*
		First stage	Second stage	Third stage	Purchased or originated impaired		First stage	Second stage	Third stage	Purchased or originated impaired		
A. On-balance sheet credit exposures												
A.1 On demand	790,830	790,830	-	-	-	94	94	-	-	-	790,736	-
a) Impaired	-	X	-	-	-	-	X	-	-	-	-	-
b) Non-impaired	790,830	790,830	-	X	-	94	94	-	X	-	790,736	-
A.2 Other	768,365	765,954	-	-	-	334	334	-	-	-	768,032	-
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Impaired past due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Non-impaired past due exposures	-	-	-	X	-	-	-	-	X	-	-	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other non-impaired exposures	768,365	765,954	-	X	-	334	334	-	X	-	768,032	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	1,559,195	1,556,784	-	-	-	428	428	-	-	-	1,558,767	-
B. Off-balance sheet credit exposures												
a) Impaired	-	X	-	-	-	-	X	-	-	-	-	-
b) Non-impaired	368,297	11,717	-	X	-	3	3	-	X	-	368,295	-
Total (B)	368,297	11,717	-	-	-	3	3	-	-	-	368,295	-
Total (A+B)	1,927,493	1,568,501	-	-	-	431	431	-	-	-	1,927,062	-

A.1.5 Prudential consolidation - On- and off-balance sheet credit exposures to customers: gross and net amounts

Types of exposures/values	Gross exposure					Total value adjustments and total allocations					Net exposure	Total partial write-offs*
		First stage	Second stage	Third stage	Purchased or originated impaired		First stage	Second stage	Third stage	Purchased or originated impaired		
A. On-balance sheet credit exposures												
a) Bad loans	57,287	X	-	55,736	1,551	41,634	X	-	40,863	771	15,653	17,669
- of which: forborne exposures	16,226	X	-	14,979	1,247	12,124	X	-	11,352	771	4,103	1,807
b) Unlikely to pay	297,769	X	-	295,117	2,652	123,823	X	-	123,438	385	173,946	-
- of which: forborne exposures	185,611	X	-	183,227	2,384	79,222	X	-	79,033	189	106,389	-
c) Impaired past due exposures	1,288	X	-	1,283	5	256	X	-	256	-	1,032	-
- of which: forborne exposures	1	X	-	1	-	-	X	-	-	-	1	-
d) Non-impaired past due exposures	18,872	5,933	12,908	X	32	534	60	474	X	-	18,338	-
- of which: forborne exposures	575	-	575	X	-	55	-	55	X	-	520	-
e) Other non-impaired exposures	12,653,339	11,635,887	975,597	X	7,571	52,976	13,806	39,139	X	24	12,600,363	-
- of which: forborne exposures	163,909	-	159,031	X	4,878	13,764	-	13,745	X	19	150,145	-
Total (A)	13,028,556	11,641,820	988,504	352,136	11,811	219,223	13,866	39,613	164,557	(1,181)	12,809,333	17,669
B. Off-balance sheet credit exposures												
a) Impaired	38,708	X	-	38,708	-	9,843	X	-	9,843	-	28,865	-
b) Non-impaired	4,274,855	3,833,029	166,916	X	-	4,386	1,246	3,139	X	-	4,270,470	-
Total (B)	4,313,563	3,833,029	166,916	38,708	-	14,229	1,246	3,139	9,843	-	4,299,334	-
Total (A+B)	17,342,119	15,474,849	1,155,421	390,844	11,811	233,452	15,113	42,752	174,400	(1,181)	17,108,667	17,669

The hedging ratios of on-balance sheet loans to customers are, therefore, as follows:

	31/12/2025	31.12.2024
Loans classified as bad loans	72.68%	68.39%
Loans classified as unlikely to pay	42.10%	45.00%
Non-performing loans	47.00%	49.22%
Performing loans	0.54%	0.60%

A.1.6 Prudential consolidation - On-balance sheet credit exposures to banks: trend in gross impaired exposures

This table is not shown as there are no on-balance sheet credit exposures to banks.

A.1.6 bis Prudential consolidation – On-balance sheet credit exposures to banks: trend in gross forborne exposures broken down by credit quality

This table is not shown as there are no on-balance sheet credit exposures to banks.

A.1.7 Prudential consolidation - On-balance sheet credit exposures to customers: trend in gross impaired exposures

Reasons/Categories	Bad loans	Unlikely to pay	Impaired past due exposures
A. Opening gross exposure	72,357	294,651	3,423
- of which: exposures sold but not derecognised	-	2,572	59
B. Increases	30,276	113,821	1,252
B.1 inflows from non-impaired exposures	9,196	98,544	1,214
B.2 inflows from purchased or originated impaired financial assets	-	-	-
B.3 transfers from other categories of impaired exposures	17,620	1,129	-
B.4 contractual amendments without cancellations	-	-	-
B.5 other increases	3,460	14,147	38
C. Decreases	45,347	110,703	3,387
C.1 outflows to non-impaired exposures	-	14,300	1,355
C.2 write-offs	4,254	3,289	-
C.3 collections	16,535	54,670	502
C.4 gains on disposals	11,267	9,063	178
C.5 losses on disposal	2,644	2,621	140
C.6 transfers to other categories of impaired exposures	76	17,519	1,155
C.7 contractual amendments without cancellations	-	-	-
C.8 other decreases	10,570	9,241	56
D. Closing gross exposure	57,287	297,769	1,288
- of which: exposures sold but not derecognised	-	76	-

A.1.7 bis Prudential consolidation – On-balance sheet credit exposures to customers: trend in gross forborne exposures broken down by credit quality

Reasons/Quality	Forborne exposures: impaired	Forborne exposures: non-impaired
A. Opening gross exposure	204,650	146,120
- of which: exposures sold but not derecognised	843	2,196
B. Increases	61,790	88,495
B.1 inflows from non-impaired non-forborne exposures	12,455	70,083
B.2 inflows from non-impaired forborne exposures	15,317	X
B.3 inflows from impaired forborne exposures	X	9,433
B.4 inflows from impaired non-forborne exposures	14,972	166
B.5 other increases	19,047	8,814
C. Decreases	64,602	70,131
C.1 outflows to non-impaired non-forborne exposures	X	13,210
C.2 outflows to non-impaired forborne exposures	9,433	X
C.3 outflows to impaired forborne exposures	X	15,317
C.4 write-offs	3,488	3
C.5 collections	35,018	41,398
C.6 gains on disposals	5,641	-
C.7 losses on disposal	775	-
C.8 other decreases	10,248	203
D. Closing gross exposure	201,838	164,484
- of which: exposures sold but not derecognised	76	112

A.1.8 Prudential consolidation – Impaired on-balance sheet credit exposures to banks: trend in total value adjustments

This table is not shown as there are no impaired on-balance sheet credit exposures to banks.

A.1.9 Prudential consolidation - Impaired on-balance sheet credit exposures to banks: trend in total value adjustments

Reasons/Categories	Bad loans		Unlikely to pay		Impaired past due exposures	
	Total	of which: forborne exposures	Total	of which: forborne exposures	Total	of which: forborne exposures
A. Opening total adjustments	48,771	14,309	133,459	89,351	668	32
- of which: exposures sold but not derecognised	-	-	997	342	12	-
B. Increases	31,990	10,152	52,405	21,321	524	11
B.1 value adjustments from purchased or originated impaired financial assets	-	X	-	X	-	X
B.2 other value adjustments	20,349	6,575	48,191	20,119	377	-
B.3 losses on disposal	2,644	514	2,621	250	140	11
B.4 transfers from other categories of impaired exposures	8,827	3,059	396	13	-	-
B.5 contractual amendments without cancellations	-	-	-	-	-	-
B.6 other increases	170	4	1,197	940	6	-
C. Decreases	39,127	12,337	62,041	31,451	936	43
C.1 write-backs from measurement	2,753	346	14,223	9,425	271	15
C.2 write-backs from collection	7,182	1,375	20,174	12,224	63	-
C.3 gains on disposal	5,177	2,556	1,065	623	-	-
C.4 write-offs	4,254	1,101	3,289	2,390	-	-
C.5 transfers to other categories of impaired exposures	30	-	8,807	3,057	386	15
C.6 contractual amendments without cancellations	-	-	-	-	-	-
C.7 other decreases	19,731	6,959	14,482	3,733	216	13
D. Total closing adjustments	41,634	12,124	123,823	79,222	256	-
- of which: exposures sold but not derecognised	-	-	31	31	-	-

A.3.1 Prudential consolidation - Secured on- and off-balance sheet credit exposures to banks

This table was not completed as there were no secured on- and off-balance sheet credit exposures to banks at 31 December 2025.

A.3.2 Prudential consolidation - Secured on- and off-balance sheet credit exposures to customers

	Gross exposure	Net exposure	Collaterals (1)				Personal guarantees (2)								Total (1)+(2)	
							Credit derivatives					Endorsement loans				
			Properties - Mortgages	Properties - Loans for leases	Securities	Other collateral	COLLECTIVE BARGAIN AGREEMENTS	Other derivatives				Public administrations	Banks	Other financial companies		Other parties
								Central counterparties	Banks	Other financial companies	Other parties					
1. Secured on-balance sheet credit exposures:	8,278,331	8,086,183	4,926,778	130,155	256,003	566,410	-	-	-	-	-	1,082,933	41,474	52,884	634,985	7,691,621
1.1. fully secured	7,234,657	7,061,409	4,898,086	130,155	11,992	556,575	-	-	-	-	-	787,583	9,973	43,184	594,818	7,032,366
- of which impaired	290,540	160,415	122,095	3,927	202	6,409	-	-	-	-	-	17,600	1,484	535	7,043	159,295
1.2. partially secured	1,043,674	1,024,774	28,691	-	244,011	9,836	-	-	-	-	-	295,350	31,501	9,699	40,167	659,255
- of which impaired	31,402	15,993	3,065	-	733	284	-	-	-	-	-	5,695	779	142	991	11,689
2. Secured off-balance sheet credit exposures:	913,207	909,268	47,758	-	3,953	17,045	-	-	-	-	-	19,584	3,452	65,413	608,960	766,164
2.1. fully secured	658,518	655,982	47,752	-	2,237	11,598	-	-	-	-	-	9,927	3,032	53,801	525,216	653,562
- of which impaired	10,720	9,216	4,823	-	2	210	-	-	-	-	-	376	-	149	3,656	9,216
2.2. partially secured	254,689	253,286	6	-	1,716	5,447	-	-	-	-	-	9,657	420	11,612	83,744	112,602
- of which impaired	6,252	5,277	-	-	-	231	-	-	-	-	-	400	-	27	1,074	1,732

A.4 Prudential Consolidation - Financial and non-financial assets obtained through enforcement of guarantees received

This table is not filled in as there are no financial and non-financial assets obtained through the enforcement of guarantees received.

B.1 Prudential consolidation - Breakdown of on- and off-balance sheet credit exposures to customers by sector

Exposures/Counterparties		Public administrations		Financial companies		Financial companies (of which: insurance companies)		Non-financial companies		Households	
		Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance sheet credit exposures											
A.1 Bad loans		-	-	82	203	-	-	8,864	23,236	6,707	18,195
- of which forborne exposures		-	-	-	-	-	-	3,211	6,316	891	5,807
A.2 Unlikely to pay		-	-	5,162	1,220	-	-	138,192	98,704	30,592	23,899
- of which forborne exposures		-	-	737	663	-	-	89,890	65,640	15,762	12,919
A.3 Impaired past due exposures		-	-	-	-	-	-	260	65	772	191
- of which forborne exposures		-	-	-	-	-	-	1	-	-	-
A.4 Non-impaired exposures		2,868,009	644	644,673	2,734	286,448	27	5,160,568	38,604	3,945,452	11,528
- of which forborne exposures		-	-	-	-	-	-	114,921	12,430	35,744	1,389
Total (A)		2,868,009	644	649,917	4,157	286,448	27	5,307,883	160,608	3,983,523	53,813
B. Off-balance sheet credit exposures											
B.1 Impaired exposures		-	-	-	-	-	-	24,863	9,730	4,002	113
B.2 Non-impaired exposures		317,076	11	200,869	8	-	-	3,257,526	4,035	220,209	331
Total (B)		317,076	11	200,869	8	-	-	3,282,388	13,765	224,211	444
Total (A+B)	31/12/2025	3,185,085	656	850,786	4,166	286,448	27	8,590,272	174,373	4,207,734	54,258
Total (A+B)	31/12/2024	3,545,119	1,138	712,713	4,092	246,944	25	8,361,734	185,803	4,236,288	65,065

B.2 Prudential consolidation – Geographic breakdown of on- and off-balance sheet credit exposures to customers – Abroad

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the world	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance sheet credit exposures										
A.1 Bad loans	15,646	41,567	7	67	-	-	-	-	-	-
A.2 Unlikely to pay	173,038	123,253	591	171	-	-	317	399	-	-
A.3 Impaired past due exposures	984	244	48	12	-	-	-	-	-	-
A.4 Non-impaired exposures	12,318,415	53,116	269,852	377	4,285	4	12,014	7	14,136	6
Total (A)	12,508,083	218,180	270,498	627	4,285	4	12,331	406	14,136	6
B. Off-balance sheet credit exposures										
B.1 Impaired exposures	28,722	9,843	143	-	-	-	-	-	-	-
B.2 Non-impaired exposures	3,989,062	4,383	6,580	3	3	-	27	-	8	-
Total (B)	4,017,784	14,226	6,723	3	3	-	27	-	8	-
Total (A+B) 31/12/2025	16,525,867	232,405	277,221	630	4,288	4	12,358	406	14,143	6
Total (A+B) 31/12/2024	16,675,227	254,862	173,528	933	1,563	1	3,296	290	2,239	13

B.2 Prudential consolidation - Geographic breakdown of on- and off-balance sheet credit exposures to customers - Italy

Exposures/Geographic areas	Northwest Italy		Northeast Italy		Central Italy		Southern Italy and islands		
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	
A. On-balance sheet credit exposures									
A.1 Bad loans	757	4,031	14,856	37,299	17	146	17	90	
A.2 Unlikely to pay	6,850	9,601	161,800	111,105	4,060	795	327	1,752	
A.3 Impaired past due exposures	73	18	907	225	-	-	3	1	
A.4 Non-impaired exposures	1,110,958	5,369	8,364,045	46,869	2,793,349	526	50,063	352	
Total (A)	1,118,637	19,020	8,541,609	195,498	2,797,427	1,467	50,410	2,195	
B. Off-balance sheet credit exposures									
B.1 Impaired exposures	3,885	173	24,156	6,974	681	2,696	-	-	
B.2 Non-impaired exposures	347,067	183	3,555,480	4,139	79,738	60	6,777	1	
Total (B)	350,952	356	3,579,635	11,112	80,419	2,756	6,777	1	
Total (A+B)	31/12/2025	1,469,589	19,376	12,121,245	206,610	2,877,846	4,223	57,187	2,196
Total (A+B)	31/12/2024	1,442,543	30,268	11,870,863	214,544	3,298,203	7,635	63,618	2,416

B.3 Prudential consolidation - Geographic breakdown of on- and off-balance sheet credit exposures to banks - Abroad

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the world		
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	
A. On-balance sheet credit exposures											
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-	
A.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-	
A.3 Impaired past due exposures	-	-	-	-	-	-	-	-	-	-	
A.4 Non-impaired exposures	1,305,428	313	204,833	82	42,068	26	6,416	7	22	-	
Total (A)	1,305,428	313	204,833	82	42,068	26	6,416	7	22	-	
B. Off-balance sheet credit exposures											
B.1 Impaired exposures	-	-	-	-	-	-	-	-	-	-	
B.2 Non-impaired exposures	33,108	-	33,811	-	549	-	1,886	1	1,598	2	
Total (B)	33,108	-	33,811	-	549	-	1,886	1	1,598	2	
Total (A+B)	31/12/2025	1,338,536	313	238,644	82	42,617	26	8,302	8	1,620	2
Total (A+B)	31/12/2024	980,884	241	130,608	60	34,962	56	1,837	-	2,559	1

B.3 Prudential consolidation - Geographic breakdown of on- and off-balance sheet credit exposures to banks - Italy

Exposures/Geographic areas	Northwest Italy		Northeast Italy		Central Italy		Southern Italy and islands	
	Net exposures	Total value adjustments	Net exposures	Total value adjustments	Net exposures	Total value adjustments	Net exposures	Total value adjustments
A. On-balance sheet credit exposures								
A.1 Bad loans	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-
A.3 Impaired past due exposures	-	-	-	-	-	-	-	-
A.4 Non-impaired exposures	248,559	138	184,586	118	872,282	57	-	-
Total (A)	248,559	138	184,586	118	872,282	57	-	-
B. Off-balance sheet credit exposures								
B.1 Impaired exposures	-	-	-	-	-	-	-	-
B.2 Non-impaired exposures	30,488	-	421	-	2,200	-	-	-
Total (B)	30,488	-	421	-	2,200	-	-	-
Total (A+B) 31/12/2025	279,047	138	185,007	118	874,482	57	-	-
Total (A+B) 31/12/2024	149,907	109	103,066	95	728,081	37	-	-

B.4 Large exposures

At the end of the year, there are positions that constitute "Large exposures" according to the regulations in force since 1 January 2014 for:

(in thousands of Euro)

	Number of exposures	31/12/2025	
		Carrying amount	Weighted amount
Large exposures	11	6,666,286	652,927

As indicated in Bank of Italy Circular No. 285 of 17 December 2013 and subsequent updates, the matter "Large exposures" is governed:

- by the CRR, in particular Part Four and Article 493;
- by European Commission regulations on regulatory technical standards;
- by CRD IV;
- by Articles 53 and 67 of the Consolidated Banking Act.

On the basis of the provisions, the table shows the number, the carrying amount and the weighted amount of the positions defined as "Large exposures", i.e., with exposure of an amount equal to or greater than 10% of the "eligible capital" at consolidated level; at 31 December 2025, the amount of eligible capital coincides with that of Own Funds.

The recognition criterion provides that for the definition of "Large exposure" reference must be made to the concept of "unweighted exposure", as opposed to the previous legislation that referred to "weighted exposure".

The positions subject to reporting are all attributable to customers/banks or groups of customers/banks with proven reliability and to the Public Administration entities.

"Large exposures" must in any case comply with the limit of 25% of the eligible capital.

C. SECURITISATION TRANSACTIONS

C.1 Securitisation transactions

QUALITATIVE INFORMATION

Pursuant to the regulations governing the preparation of the Financial Statements, it should be noted that securitisation transactions in which the originator is a bank belonging to the same banking group, and all the liabilities issued by the special purpose entity are subscribed at the time of issue by one or more companies belonging to the same banking group (so-called self-securitisations) are not included in this section.

The securitisations of performing loans carried out by the Bank are attributable to this type of transaction.

For details on these transactions, please refer to Section 3 "Liquidity risk" below.

This section, on the other hand, includes securitisation transactions, *i.e.*, those in which, in exchange for the sale of receivables, the conditions for the transfer of risk and the consequent derecognition of the financial assets from the Group's financial statements are met, with the simultaneous recognition as assets of the Senior and Junior Notes issued by the securitisation special purpose entity.

BUONCONSIGLIO2 SECURITISATION TRANSACTION

These assets include the loans sold in the "Buonconsiglio 2" transaction in which a pool of banks have sold their non-performing loans to a securitisation special purpose entity named "Nepal". This is therefore a multi-originator sale of credit portfolios.

The Parent Bank participated in a multi-originator securitisation transaction called "Buonconsiglio 2" in which 22 banks took part, for a total value of non-performing loans sold of Euro 734 million.

The following parties were involved in the transaction:

- Banca IMI as arranger;
- Cassa Centrale Banca (CCRES), as coordinator;
- Studio Legale Orrick, Herrington & Sutcliffe as legal advisor
- NEPAL SRL as the special purpose entity that purchased the receivables;
- Guber Banca Spa as servicer.

With regard to the Cassa di Risparmio di Bolzano share, the Parent Bank securitised 176 bad loans for a total of 272 positions for a total exposure of Euro 74.6 million, of which around Euro 1.8 million of lines already transferred to loss.

The transaction mainly concerned secured loans, amounting to 86.4% at Group level, and unsecured loans of 13.6%.

The majority of the securitised portfolio, equal to approximately 90.2%, is concentrated outside the province of Bolzano, the remainder is located in Alto Adige (9.8%). With regard to the main sectors of economic activities of the transferred debtors, almost half are active in Services and Construction, 24.4% are in Construction, 6.3% are in the Construction of machines and vehicles and 6.1% are private loans, while 4.8% are retail and commercial intermediaries. Other types of economic activities remain for approximately 8.7% of the portfolio sold.

The credit lines sold are composed of mortgages for 73.6%, current accounts for 25.4% and the remainder consists of other types of credit facilities.

The transaction established that, of the sale price of 27.09%, 70% is used for the subscription of Senior notes and 1.5% of Junior notes (retention rule).

The investors who have acquired the main shares of Junior securities are:

- Värde Partners (64.7%);
- Barclays Bank (23.8%);
- Guber Banca Spa (6.5%).

The extraordinary sale transaction presented itself as an important opportunity for:

- accelerating the process of reducing the stock of non-performing loans, allowing the NPL Ratio to be lowered by around 1.5%;
- reducing bad loans without significantly impacting the average coverage of the non-performing portfolio, thus without having significant effects on income statement costs;
- making the structures dedicated to the recovery of non-performing loans more efficient.

At 31 October 2018, *i.e.*, at the cut-off date, the securitised portfolio had value adjustments of Euro 53.2 million against losses generated by the transaction of Euro 54.4 million, therefore involving a total cost of only Euro 1.2 million.

The securitisation transaction as described above was approved by the Bank's Board of Directors on 29 January 2019.

Please note that on the payment date of 16 October 2023, the vehicle repaid the Senior Notes in full; therefore, only the Junior tranche remains in the financial statements of the Parent Bank, as of the reference date of 31 December 2025, for a nominal amount of EUR 216 thousand, which has been fully written down.

LUZZATTI SECURITISATION TRANSACTION

Together with the subsidiary CiviBank, the Parent Bank Cassa di Risparmio di Bolzano participated in a multi-originator securitisation transaction called "POP Luzzatti NPLs 2022" in which 14 other banks took part, for a total value of non-performing loans sold of approximately Euro 545 million.

The following parties were involved in the transaction:

- Global Coordinator and Monitoring Agent: Luigi Luzzatti S.c.p.a.;
- Arranger: IMI – Intesa San Paolo;
- Legal advisors: Orrick Herrington & Sutcliffe LLP (Originator side), Studio Legale Chiomenti (SPV/Arranger side);
- Rating agencies: ARC Rating S.A. and Moody's;
- Master Servicer: Prelios Credit Servicing S.p.A.;
- Special Servicers: Prelios Credit Solutions S.p.A. and Fire S.p.A. (jointly);
- SPV Corporate Servicer and Computation Agent: Securitisation Services (Bank Finint);
- Paying Agent and Account Bank: BNP Paribas Securities Services.

Concluded at the end of December 2022, the transaction saw the sale to a securitisation vehicle, established in accordance with Article 3 of Law 130/1999, called Luzzatti POP NPLs 2022 S.r.l. The structure of the transaction envisaged the suitable characteristics for the derecognition of the loans through the transfer of the portfolio to the SPV and the assignment of a BBB+/Baa1 rating to the Senior Notes, pending the reintroduction of the GACS state guarantee in order to be able to assess the opportunity at banking class level, if the conditions are met, to request this guarantee. The SPV acquired the transferors' Portfolio, financing the purchase through the issue of three classes of ABS securities, Senior, Mezzanine and Junior classes, amounting to Euro 118.25 million, Euro 17.5 million and Euro 3 million, respectively. The Mezzanine and Junior notes were subscribed for 5% on a pro rata basis by the Transferors (pursuant to the European Retention Rule - net economic interest).

As regards the portion of Cassa di Risparmio di Bolzano, the Parent Bank securitised 60 non-performing positions for a total of 101 positions for a total exposure of approximately Euro 6.2 million.

With regard to the CiviBank share, the subsidiary Bank securitised 375 bad loans for a total of 781 positions and an overall exposure of approximately Euro 79 million, of which Euro 5.6 million of lines already transferred to loss.

The transaction mainly concerned secured loans. The Cassa di Risparmio di Bolzano portfolio is composed of 42.3% of unsecured loans and 57.7% of secured loans, while the CiviBank portfolio consists of 71.7% of unsecured loans and 28.3% of secured loans.

With regard to the economic sector, loans to households account for 12.4% of the portfolio securitised by Cassa di Risparmio di Bolzano, and 20.1% of the portfolio securitised by CiviBank. Half of the portfolio sold by Cassa di Risparmio di Bolzano is active in the real estate and construction sector (50.1%), 15.6% is in manufacturing activities, 10.3% is in accommodation and catering, while 8.5% is in the wholesale and retail trade sector. Other types of economic activity remain for a total of 3.0% of the portfolio sold by Cassa di Risparmio di Bolzano. With regard to the portfolio sold by CiviBank, 25.8% are active in the real estate and construction sector, 35.4% are in manufacturing activities, 2.2% in accommodation and catering while 5.2% belong to the wholesale and retail trade sector. Other types of economic activity remain for a total of 11.5% of the portfolio sold by CiviBank, of which 4.6% of grape cultivation and 3.0% of professional activities.

The majority of the securitised portfolio of Cassa di Risparmio di Bolzano, equal to approximately 86.0%, is concentrated outside the province of Bolzano, the remainder is located in Alto Adige (14.0%). Most of the securitised portfolio of CiviBank, equal to approximately 72.8%, is concentrated in Friuli-Venezia Giulia, the remainder is located outside the region (27.2%).

With regard to the time horizon, both portfolios sold are characterised by medium/long-term lines. The credit lines transferred with a medium/long-term duration (mortgages, loans) are therefore 61.5% for the portfolio securitised by Cassa di Risparmio di Bolzano and 74.2% for CiviBank.

The extraordinary disposal transaction presented itself as an important opportunity to accelerate the process of reducing the stock of non-performing loans, allowing to lower both the individual and Group NPL Ratio.

OTHER SECURITISATION TRANSACTIONS OF THE SUBSIDIARY BANCA DI CIVIDALE

QUALITATIVE INFORMATION

Securitisation transactions are carried out in order to increase the assets liquidity degree and increase the availability of financial instruments that can be allocated for refinancing transactions with the European Central Bank and/or that can be used as collateral in financing transactions with institutional and market counterparties.

The quantitative information reported in this section includes the Civitas Spv Srl – RMBS – 2017 and Civitas Spv Srl – RMBS – 2025 transactions as the Civitas Spv Srl – SME – 2019 transaction has the characteristics of the so-called “Self-securitisations”, i.e., the Originator Bank subscribed all the liabilities issued by the SPV at the time of issue.

Civitas Spv Srl - RMBS - 2017

The Civitas Spv Srl – RMBS – 2017 securitisation was completed in 2017 and subsequently increased with subsequent sales in the years 2018, 2019 and 2020.

Main Information

Date of completion of the transaction	July-17
Vehicle company	Civitas Spv Srl
Transaction subject matter	Performing residential mortgages
Banks/originator groups	Banca di Cividale S.p.A.
Original total amount of receivables assigned by Banca di Cividale	253 million

Main Information

RMBS Renovation 2018	112 million
RMBS Renovation 2019	106 million
RMBS Restructuring 2020	147 million
Total amount of BDC's assigned receivables	618 million
Securities issued, subscribed and held by Banca di Cividale	600 million
of which senior securities a	228 million
of which senior securities b	228 million
of which mezzanine securities	51 million
of which junior securities	93 million
Initial rating senior securities	A Standard&poor's - AA DBRS
Closing balance TQ of securities held as at 31/12/2025	209 million
Senior securities rating	AA+ Standard&poor's - AAA DBRS

Civitas Spv Srl - RMBS - 2025

The Civitas Spv Srl – RMBS – 2025 transaction was completed in the second half of 2025 through the sale of a EUR 200 million portfolio of residential mortgages backed by Consap guarantees and the issuance of two senior tranches, A1 with a nominal value of EUR 80 million and A2 with a nominal value of EUR 60 million, and a junior tranche with a nominal value of EUR 63.1 million.

CiviBank subscribed to the senior tranche A2 and the junior tranche and sold tranche A1 to a third-party investor.

Main Information

Date of completion of the transaction	December-25
Vehicle company	Civitas Spv Srl
Transaction subject matter	Performing residential mortgages
Banks/originator groups	Banca di Cividale S.p.A.
Total original amount of the loans transferred by Securities issued, subscribed and held by Banca di Cividale	200 million
of which A1 senior securities	80 million
of which A2 senior securities	60 million
of which junior securities	63 million
Initial rating senior securities	unrated
Closing balance TQ of securities held as at 31/12/2025	143 million

In both transactions, Civitas Spv Srl – RMBS – 2017 and Civitas Spv Srl – RMBS – 2025, the Bank's role, in addition to that of "originator" of the underlying transactions and mortgages, is that of "servicer" in charge of all activities pertaining to the relationship with borrowers, including the periodic collection of instalments.

The credit risk associated with the assets sold in the securitisation transactions remains with the bank; therefore, the internal risk measurement and control systems are applied in a completely homogeneous manner to both securitised and non-securitised assets.

Section 2. Securitisations of bad loans

Loan securitisation transactions were identified by the Bank as a suitable instrument for transferring credit risk to third parties ("derisking").

The Bank has three securitisation transactions in place that involve the transfer of the underlying risks, called "POP NPLS 2019", "POP NPLS 2020" and "POP NPLS 2022". The transactions were structured in a manner suitable for obtaining the GACS guarantee on the senior note issued.

"Pop NPLs 2019" transaction

On 10 December 2019, pursuant to Italian Law No. 130 of 30 April 1999, the Bank completed a securitisation of bad loans with GACS guarantee for a total value of approximately Euro 50.7 million. The Bank participated in the initiative promoted by Luigi Luzzatti Scpa, as part of Assopopolari, which developed a multi-originator securitisation of loans with GACS, the state guarantee that assists the senior notes issued following the completion of these transactions.

The purpose of the transaction is to improve the risk profile and the quality of the assets as well as the income prospects and in particular to reduce the incidence of bad loans on total assets, as well as to reduce the related administrative, legal and judicial costs for the management of bad loans.

The securitised portfolio was of a "mixed" nature, mortgage and unsecured, claimed from non-financial undertakings and other private entities mainly referring to the Friuli-Venezia Giulia and Eastern Veneto regions; the Banca di Cividale's participation resulted in the sale of 280 positions for a total receivable of approximately EUR 50.7 million (out of a total transaction GBV of approximately EUR 827 million).

The consideration for the sale of the receivables to the SPV, called "Pop NPLs 2019 S.r.l.", amounted to a total of Euro 177 million (of which Euro 13.6 million referring to the Bank's portfolio).

The SPV financed the purchase of the Receivables through the issue of the following classes of notes pursuant to the combined provisions of Articles 1 and 5 of Law No. 130, for a total value of Euro 203 million, broken down as follows:

- Euro 173 million Senior ABS with floating rate maturing in February 2045;
- Euro 25 million Mezzanine ABS with floating rate maturing in February 2045;
- Euro 5 million Junior ABS with floating rate and variable return maturing in February 2045;

At the time of issue, the Senior Notes obtained a rating of BBB from DBRS and BBB from Scope Ratings AG; subsequently the rating was changed and as at 31 December 2025 was B from DBRS and B from Scope.

At the time of issue, the Mezzanine Notes obtained a rating of CCC from DBRS and CCC from Scope Ratings AG; subsequently the rating opinion was changed and as at 31 December 2025 was CC from DBRS and C from Scope.

The Junior notes have no rating.

Below is a summary of the data at 31 December 2025 relating to the securitisation of multi-originator bad loans with GACS called POP NPLs 2019:

Main Information		
Date of completion of the transaction		December-19
Vehicle company	POP NPLs 2019 S.r.l.	
Transaction subject matter	Transfer of credit risk to third parties	
Banks/originator groups	credit	
Total amount of receivables assigned by Banca di Cividale	Pool 12 Banks	
Total amount of BDC's assigned receivables		50 million
Securities issued, subscribed and held by Banca di Cividale		50 million
of which senior securities		13 million
of which junior securities		13 million
Initial rating senior securities		0.1 million
Closing balance TQ of securities held as at 31/12/2025		BBB
Senior securities rating		4.8 million
		BBB

"POP NPLs 2020" transaction

In 2020, pursuant to Italian Law no. 130 of 30 April 1999, the Bank participated to a securitisation of bad loans with GACS guarantee for a total value of approximately Euro 36.6 million. The Bank participated in the initiative promoted by Luigi Luzzatti Scpa, as part of Assopopolari, which developed a multi-originator securitisation of loans with GACS, the state guarantee that assists the senior notes issued following the completion of these transactions.

The purpose of the transaction is to improve the risk profile and the quality of the assets as well as the income prospects and in particular to reduce the incidence of bad loans on total assets, as well as to reduce the related administrative, legal and judicial costs for the management of bad loans.

The securitised portfolio was of a "mixed" nature, mortgage and unsecured, claimed from non-financial undertakings and other private entities mainly referring to the Friuli Venezia Giulia and Eastern Veneto regions; the Banca di Cividale's participation resulted in the sale of 422 positions for a total receivable of approximately Euro 36.6 million (out of a total transaction GBV of approximately Euro 920 million).

The consideration for the sale of the receivables to the SPV, called "Pop NPLs 2020 S.r.l.", amounted to a total of Euro 245.5 million (of which Euro 9.7 million referring to the Bank's portfolio).

The SPV financed the purchase of the Receivables through the issue of the following classes of notes pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total value of Euro 245.5 million, broken down as follows:

- Euro 241.5 million Senior ABS with 6-month Euribor floating rate +0.30% maturing in November 2045;
- Euro 25 million Mezzanine ABS with 6-month Euribor floating rate +12% maturing in November 2045;
- Euro 10 million Junior ABS with 6-month Euribor floating rate +15% in addition to the variable remuneration linked to the recoveries remaining after the fulfilment of all the other obligations of the vehicle, maturing in November 2045.

At the time of issue, the Senior Notes obtained a rating of BBB from DBRS and BBB from Scope Ratings AG; subsequently the rating was changed and as at 31 December 2025 was BBB from DBRS and BBB- from Scope.

At the time of issue, the Mezzanine Notes obtained a rating of CCC from DBRS and CC from Scope Ratings AG; subsequently the rating was changed and as at 31 December 2025 was CC from DBRS and CC from Scope.

The Junior notes have no rating. The notes were not listed on any regulated market. The Senior Notes issued are backed by the State Guarantee.

With reference to the aspects of guidance, governance and control of the Transaction, it should be noted that the entire process was carried out in compliance with and application of the policy on the disposal and write-off of non-performing loans and the SRT policy. The transaction was part of the multi-year NPL management strategies and the related results, both in terms of asset quality improvement and internal capital allocation, were consistent with the strategic objectives outlined therein.

Below is a summary of the data at 31 December 2025 relating to the securitisation of multi-originator bad loans with GACS called POP NPLs 2020:

Main Information		
Date of completion of the transaction		December-20
Vehicle company	POP NPLs 2020 S.r.l.	
Transaction subject matter	Transfer of credit risk to third parties	
Banks/originator groups	credit	
Total amount of receivables assigned by Banca di Cividale	Pool 15 Banks	
Total amount of BDC's assigned receivables		36.9 million
Securities issued, subscribed and held by Banca di Cividale		36.9 million
of which senior securities		9.7 million
of which junior securities		9.5 million
Initial rating senior securities		0.1 million
Closing balance TQ of securities held as at 31/12/2025		BBB
Senior securities rating		2.6 million
		BBB

"Luzzatti POP NPLs 2022" transaction

In 2022, pursuant to Italian Law no. 130 of 30 April 1999, the Bank participated to a securitisation of bad loans theoretically suitable for GACS guarantee (but concluded at the time when the GACS law was not applicable) for a nominal amount of approximately Euro 79 million. The Bank participated in the initiative promoted by Luigi Luzzatti Scpa, which developed a multi-originator securitisation of loans with the participation of a further 14 transferring banks.

The purpose of the transaction is to improve the risk profile and the quality of the assets as well as the income prospects and in particular to reduce the incidence of bad loans on total assets, as well as to reduce the related administrative, legal and judicial costs for the management of bad loans.

The securitised portfolio was of a "mixed" nature, mortgage and unsecured, claimed from non-financial undertakings and other private entities mainly referring to the Friuli Venezia Giulia and Eastern Veneto regions; the Banca di Cividale's participation resulted in the sale of 375 positions for a total receivable of approximately Euro 79 million (out of a total transaction GBV of approximately Euro 550 million, corresponding to a gross collectable amount of the loans of about Euro 545 million).

The consideration for the sale of the receivables to the SPV, called "Luzzatti POP NPLs 2022 S.r.l.", amounted to a total of Euro 122.9 million (of which Euro 15.7 million originally referred to the Bank's portfolio).

The SPV financed the purchase of the Receivables through the issue of the following classes of notes pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total value of Euro 138.75 million, broken down as follows:

- Euro 118.25 million Senior ABS with a fixed rate of 4%, maturing in January 2042;
- Euro 17.5 million Mezzanine ABS with 6-month Euribor floating rate +10% maturing in January 2042;
- Euro 3 million Junior ABS with 6-month Euribor floating rate +15% in addition to the variable remuneration linked to the recoveries remaining after the fulfilment of all the other obligations of the vehicle, maturing in January 2042.

The senior notes were subscribed on a *pro rata* basis by the Transferors. 95% of the Mezzanine and Junior notes were sold on 29 December 2022 to an independent investor. In particular, no Note was sold to investors who are connected and/or have relations or links with the Transferors ("close link" as defined in Article 4(38) of the CRR). The Notes are not and will not be listed on any regulated market.

At the time of issue the Senior Notes have a rating issued by the rating agencies ARC Ratings, S.A., equal to BBB + (sf), and Moody's Italia S.r.l., equal to Baa1 (sf). As at 31 December 2025, the ratings of the two agencies were unchanged.

The Mezzanine and Junior Notes have no rating.

In order to fulfill the obligation to maintain the 5% net economic interest in the Transaction, pursuant to Article 6 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (which establishes a general framework for securitisation, sets up a specific framework for simple, transparent and standardised securitisations and amends Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) no. 1060/2009 and (EU) no. 648/2012) (the "Securitisation Regulation"), as amended by Regulation (EU) 557/2021, the Transferors have subscribed - and will undertake to maintain it throughout the duration of the Transaction - a portion of the transaction at least equal to 5% of the nominal amount of each tranche of Notes issued in the context of the Transaction ("vertical segment" mode).

The transaction was structured in such a way as to have suitable characteristics and conditions to proceed with the derecognition of the receivables subject to transfer, in accordance with the applicable IAS/IFRS international accounting standards, as the rights and benefits of the financial assets sold (IFRS 9, paragraphs 3.2.4 (a) and 3.2.6 (a)) are substantially transferred to the special purpose vehicle Luzzatti POP NPLs 2022 S.r.l.

The derecognition of the receivables resulted in the recognition of a loss on disposal (net of the discounting effect) of Euro 16.5 million, recognised under item 100 a) of the income statement "Gains (losses) on disposal or repurchase of assets measured at amortised cost".

The transaction was part of the multi-year NPL management strategies and the related results, both in terms of asset quality improvement and internal capital allocation, were consistent with the strategic objectives outlined therein.

Below is a summary of the data at 31 December 2025 relating to the securitisation of multi-originator bad loans with GACS called POP NPLs 2022:

Main Information		
Date of completion of the transaction		December-22
Vehicle company	Luzzatti POP NPLs 2022 S.r.l.	
Transaction subject matter	Transfer of credit risk to third parties	
Banks/originator groups	Pool 15 Banks	
Total amount of receivables assigned by Banca di Cividale		73.7 million
Total amount of BDC's assigned receivables		73.7 million
Securities issued, subscribed and held by Banca di Cividale		15.1 million
of which senior securities		15.1 million
of which junior securities		<0.1 million
Initial rating senior securities		BBB+
Closing balance TQ of securities held as at 31/12/2025		7.5 million
Senior securities rating		BBB+

C. Parent Bank's securitisation transactions

C.1. Exposures deriving from the main "own" securitisation transactions broken down by type of securitised asset and type of exposure

Type of securitised assets/Exposures	On-balance sheet exposures						Guarantees issued						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Value adjustments/write-backs	Carrying amount	Value adjustments/write-backs	Carrying amount	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs
A. Subject to full derecognition from the financial statements	189	(0)																
Pop Npls 2022 2250																		
Type of activity: Non-performing loans	189	(0)																
B. Subject to partial derecognition from the financial statements																		
C. Not derecognised from the financial statements																		

C. Securitisation transactions of the subsidiary Banca di Cividale

C.1. Exposures deriving from the main "own" securitisation transactions broken down by type of securitised asset and type of exposure

Type of securitised assets/Exposures	On-balance sheet exposures						Guarantees issued						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Value adjustments/write-backs	Carrying amount	Value adjustments/write-backs	Carrying amount	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs
A. Subject to full derecognition from the financial statements	14,516	(506)	169															
POP NPLS 19 2/45 TV																		
Type of activity: Non-performing loans	4,338	(484)	4															
Pop Npls 2020 1902																		
Type of activity: Non-performing loans	2,560	(15)	44															
Pop Npls 2022 2250																		
Type of activity: Non-performing loans	7,618	(7)	121															
B. Subject to partial derecognition from the financial statements																		
C. Not derecognised from the financial statements					319,971	(2,748)												
C.1 Civitas Spv Srl																		
– Type of asset: Loans (Civitas 3 - 2017)					202,385	(2,546)												
– Type of asset: Loans (Civitas 5 - 2025)					117,586	(202)												

With regard to the "Civitas Spv Srl – RMBS -2017" securitisation, the Bank holds the entirety of the "Junior" notes while a part of the Senior notes were sold to the Parent Bank. For the fifth transaction carried out in 2025, the Senior notes were sold to third parties for a nominal amount of EUR 80 million.

C.2. Exposures deriving from the main "third party" securitisation transactions broken down by type of securitised asset and type of exposure

Type of underlying assets/Exposures	On-balance sheet exposures						Guarantees issued						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Value adjustments/write-backs	Carrying amount	Value adjustments/write-backs	Carrying amount	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs	Net exposure	Value adjustments/write-backs
Auxilio 1855	266	(2)																
Auxilio CL A 20 TV - Type of asset: Receivables from undertakings	266	(2)																
Cloud Spv	5,514	33	4,065	(62)														
Cloud Spv/Ts Abs 03/37 Sen C - Type of asset: Receivables from undertakings	5,514	(33)																
Cloud Spv/5 Abs 03/37 Mez CI - Type of asset: Receivables from undertakings			4,065	(62)														
Galadriel Spe S.R.L.	1,706	(10)	860															
Galadriel Spe 06/31 TV class A1 - Type of asset: Receivables from undertakings	1,706	(10)																
Galadriel Spe 06/31 7% B1 - Type of asset: Receivables from undertakings			860	0														
Krypton Spv Spa	1,420	(8)	630															
Krypton Spe 03/36 TV class A - Type of asset: Receivables from undertakings	1,420	(8)																
Krypton Spe 03/36 TV class B - Type of asset: Receivables from undertakings			630	0														
Vittoria 07/31 TV - Type of asset: Receivables from PA	1,553	(9)																
EBB 9/5/28 TV CL A	229																	
EBB 9/5/28 TV CL A- Type of asset: Receivables from PA	229																	
TOTAL	10,688	(62)	5,555	(62)														

C.3. Special purpose entity for the securitisation of the subsidiary Banca di Cividale

Name of securitisation Special purpose entity name	Registered office	Consolidation	Assets			Liabilities			
			Receivables	Debt securities	Other	Senior	Mezzanine	Junior	Other
POP NPLS 20 2/45 TV*	Conegliano Veneto (TV)	No.	40,936	-	-	60,060	25,000	10,000	11,557
POP NPLS 19 2/45 TV*	Conegliano Veneto (TV)	No.	37,198	-	35,280	60,962	25,000	5,000	19,191
POP NPLS 22 2/45 TV	Conegliano Veneto (TV)	No.	463,086	-	-	71,252	17,500	3,000	

*Financial statements as at 31/12/2025

C.4. Unconsolidated securitisation special purpose entities

The Bank holds no interests in unconsolidated structured entities.

C.5. Servicer activities - own securitisations: collections of securitised receivables and redemptions of securities issued by the securitisation special purpose entity

The item is not substantiated.

D. Disposal transactions

A. Financial assets sold and not fully cancelled

qualitative and quantitative information

D.1 Prudential consolidation - Financial assets sold fully recognised and associated financial liabilities: carrying amounts

	Financial assets sold fully recognised				Associated financial liabilities		
	Carrying amount	of which: subject to securitisation	of which: subject to repurchase agreements	of which impaired	Carrying amount	of which: subject to securitisation	of which: subject to repurchase agreements
A. Financial assets held for trading	-	-	-	-	X	-	-
1. Debt securities	-	-	-	-	X	-	-
2. Equity securities	-	-	-	-	X	-	-
3. Loans Loans	-	-	-	-	X	-	-
4. Derivatives	-	-	-	-	X	-	-
B. Other financial assets mandatorily measured at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	-	X	-	-
3. Loans Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Loans Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	9,953	9,953	-	9,953	-	9,949	-
1. Debt securities	9,953	9,953	-	9,953	-	9,949	-
2. Equity securities	-	-	-	-	X	-	-
3. Loans Loans	-	-	-	-	-	-	-
Financial assets measured at amortised cost	295,547	586,014	197,508	388,506	46	614,167	79,922
1. Debt securities	388,506	388,506	-	388,506	-	534,245	-
2. Loans Loans	(92,959)	197,508	197,508	-	46	79,922	79,922
Total 31/12/2025	595,967	197,508	398,459	46	624,116	79,922	544,194
Total 31/12/2024	749,182	189,780	559,402	1,621	769,999	2,903	767,095

E. Prudential consolidation – Models for the measurement of credit risk

As from the supervisory report as at 30 June 2025, in accordance with the Bank of Italy's Communication protocol No. 1294038/25 of 24 June 2025 and the Bank of Italy's Communication protocol No. 1293483/25 of 24 June 2025, the Group is authorised to use, for the purposes of calculating capital requirements on an individual and consolidated basis, the A-IRB internal credit risk measurement system for the «Retail» and «Corporate» exposure classes of the Parent Bank Sparkasse, whilst also applying the corrective factors, in terms of floors and add-ons, envisaged in the Bank of Italy's Provision of 24 May 2023.

Furthermore, pursuant to Article 150 of the CRR, the Group has been authorised to make permanent partial use of the standardised approach (known as the "PPU scope") for certain exposure classes.

It should be noted that the Parent Bank has introduced the AIRB parameters for the calculation of expected credit losses on performing loans starting from 31 December 2019. From September 2023, the approach was also extended to the Subsidiary CiviBank.

1.2 Banking Group – Market risks

1.2.1 Interest rate risk and price risk – Regulatory Trading Book

QUALITATIVE INFORMATION

A. General aspects

A.1 Sources of interest rate risk and price risk

The interest rate risk of the Regulatory Trading Book is the risk of incurring losses caused by adverse changes in the price of financial instruments due to factors related to market interest rates (risk factor concerning the current value of these instruments).

Interest rate risk is generated mainly by debt securities and interest rate derivatives classified in the trading book.

Price risk is the risk of incurring losses caused by adverse changes in market prices. This risk is mainly generated by positions in UCITS units and by equity instruments (such as shares, futures on equity indices and/or shares, options on shares and/or equity indices, warrants, covered warrants, etc.).

Impacts deriving from the Ukrainian-Russian conflict

The Group continuously monitors its securities portfolio in order to identify and carefully assess potential impacts related to the geo-political environment. The exposure of the securities portfolio to asset classes considered potentially sensitive in the context of the Ukrainian-Russian conflict is limited.

A.2 Objectives and strategies underlying trading activities

The "Regulatory Trading Book" consists of financial instruments that are intentionally allocated to subsequent short-term disposals or taken on in order to benefit, in the short term, from differences between purchase and sale prices or other changes in the price or interest rates or held to hedge the risks arising from other financial instruments held for trading.

To this end, the aforementioned financial instruments, which must also be exempt from any clause that limits their negotiability or, alternatively, which must be able to be hedged, are subject to explicit trading strategies that clearly express the intent of trading of the Group.

The Group's trading book mainly includes the following financial instruments:

- Government bonds, bank bonds, corporate bonds intended for trading with customers and only for repurchase agreements;

- managed products, ETFs;
- derivative transactions.

With specific reference to interest rate risk, the investments made by the Group are aimed at containing this risk by favouring short-term instruments.

B. Management processes and measurement methods for interest rate risk and price risk

B.1 Organisational aspects

The market risk management and measurement process in a broad sense, which includes both interest rate and price risks, is shown below. The market risk management process of the trading book is regulated in stages, with the aim of identifying the criteria for the management of risk profiles, the activities to be carried out for the correct application of the criteria, the units responsible for carrying out the performance of the aforementioned activities and the procedures supporting them. The articulation by phases and the attribution of activities to the various organisational structures are carried out having as the objective the functionality of the process, *i.e.*, its suitability to achieve the set objectives (effectiveness) and the ability to achieve them at a reasonable cost (efficiency).

The phases of the process are shown below.

Investment policy

The objective of the investment policy is the implementation of short and long-term strategic guidelines, in order to quantify the resources to be allocated in the financial investments segment of the trading book. The quantification of the resources to be allocated to the segment is carried out taking into account the overall market risks (interest, share price, exchange rate) and is determined on the basis of the results of the analyses carried out on the forecasts regarding the trend of the main macro-economic variables, the main reference markets, national and international monetary policies, the characteristics of the company's financial structure, the performance adjusted for the risk of the investments made and to be made, the public restrictions and the Supervisory regulations.

Information from internal and external sources is systematically acquired by the Finance and Treasury Department and forwarded to the Risk Management Service and to the Risk Monitoring Committee.

The Risk Monitoring Committee measures market risk and determines the resources to be allocated to investment activities in financial instruments at the level of the overall portfolio owned by the Group and at the level of individual portfolio or segment. The measurement in question takes place on the basis of the calculations and forecasts made by the Risk Monitoring Committee itself with the help of information processed by the Services that make up the Committee. Therefore, the Finance and Treasury Department, through the units or desks that make it up, defines, with reference to the aforementioned information, the forecasts in terms of profitability of the financial instruments (products) handled and in terms of attractiveness of the reference markets, and it determines the attractiveness of the various product/market combinations.

Assumption of market risk

The assumption of market risk is aimed at investing the resources allocated in the financial investments segment and in particular in the securities segment. The assumption of the risk is carried out in compliance with the general criteria of cost-effectiveness and profitability of the investment but above all in compliance with the powers resolved on by the Board of Directors in terms of maximum tolerable loss in the year and cumulative loss for the period (stop-loss).

The activities carried out for the assumption of market risk concern the following aspects:

1. the valuation of the investment to be made with reference to:
 - the liquidity of the investment;
 - the return offered by a security;
 - the degree of risk associated with the investment.

2. the assumption of risk with reference to the operating powers assigned in terms of limits with regard to:
 - the overall generic or position risk of the individual portfolios and of the portfolios as a whole;
 - the generic risk of the individual components of the portfolios;
 - the total cumulative loss for each portfolio segment;
 - the nominal amount of the securities by segment of operation;
 - the specific risk for debt securities of non-qualified parties;
 - the counterparty risk;
 - the settlement risk;
 - the concentration risk.

With reference to the structure of the delegations on market risk, the assumption of the latter is delegated:

- in cases of urgency, to the Chairman of the Board of Directors who may decide without limits on the amount or risk, on the proposal submitted by the Risk Monitoring Committee, which in any case presents to the aforementioned Body the potential risk of the investments to be acquired;
- on an ongoing basis, to the Chief Executive Officer - General Manager, and to the Finance and Treasury Department.

Market risk measurement

For the purposes of quantifying the mandatory capital requirements, the Group measures market risks according to the standardised methodology envisaged by the supervisory provisions.

For operational purposes, the measurement of market risk relates to the construction of a measure, whether overall on the entire trading portfolio and/or on the investment segment (bond, equity, currency, etc.), indicative of the risk deriving from investment activity in financial instruments (so-called "VaR models").

The information supporting the measurement of market risk concerns:

1. the market value (of the prices) of the positions taken by the units responsible for carrying out the investment activity (market value means the official trading price at which a financial instrument is listed);
2. the sensitivity of the market value of the aforementioned positions to changes in the reference risk factor (sensitivity means the percentage change in the market value as the risk factor changes);
3. the volatility of the risk factor relevant to the individual positions (*i.e.*, the change in the risk factor);
4. the protection interval (of confidence) desired by the Group indicative of its risk aversion;
5. the reference time horizon over which the plan is to carry out the estimate of the risk connected with the cited positions, indicative of the holding period of said financial instrument;
6. the correlations between market/risk factors of the same type (interest rates for different maturities or exchange rates for different currencies) and the correlations between risk factors of different types (interest rate risk, exchange rate risk, equity risk).

The measurement and monitoring of market risk, in compliance with the above criteria and with reference to the information listed above, is carried out:

1. on an ongoing basis by the Finance and Treasury Department to verify compliance with the limits assigned to it;
2. by the Risk Management Service on the basis of information supports prepared by the same. In addition, the Risk Management Service, in collaboration with the Finance and Treasury Department, updates the measurement of market risk for new products or for changes in existing ones;
3. periodically, by the Financial Statements, Taxes and Management Control Department that assesses the adequacy of capital allocation in relation to the securities segment as well as the return on said capital and thus the achievement of the set out objectives in both operational and profit terms.

The Risk Management Service, after acquiring and processing the information and data necessary for the measurement of market risk:

1. determines the VaR related to the individual positions that make up the portfolio owned by the Group;
2. determines the VaR related to the individual segments (equity, bond, currency, etc.) in which the Group carries out investment activities;
3. determines the VaR related to the individual portfolios/sub-portfolios into which the owned portfolio is divided;
4. determines the VaR related to the overall portfolio owned by the Group;
5. on the basis of the above, it informs the Finance and Treasury Department, the Financial Statements, Tax and Management Control Department;
6. forwards the information referred to in the previous points to the Corporate Bodies involved in the financial process (General Management, Risk Monitoring Committee, Board of Directors, etc.).

Market risk control

The objective pursued by the market risk control activity concerns:

- monitoring of securities operations in terms of maximum potential loss over a reference time horizon and in terms of cumulative loss (stop-loss) for the period;
- communication and transmission of information relating to the risk that the Group is facing;
- timely communication to the competent Corporate Bodies of the any critical issues.

The task of controlling the market risk in terms of compliance with the limits defined for the owned portfolio and for the portfolios and/or segments (maximum tolerable loss in the period in question - VaR limit, cumulative loss for the period and allocated capital limit) is delegated to:

- the Finance and Treasury Department as regards the overall limits within which the Service may assume market risks, considering the risks assumed by the individual units belonging to the Service;
- the Risk Management Service, which also produces the reports for the Corporate Bodies and functions involved in the market risk control process.

Considering the materiality of climate-environmental, social and governance (ESG) risks in the banking sector, an ESG rating monitoring was established on the proprietary securities portfolio. This monitoring is also extended to the securities portfolio owned by the Subsidiary.

Currently, the portfolio is mainly composed of securities with a good ESG rating.

B.2 Methodological aspects

At management level, the Group uses a VaR model as the main instrument for daily measurement and control of the exposure to market risks of the trading book.

The VaR is a statistical measure that estimates the potential losses caused by the variability of the risk factors to which the trading book is exposed over a predefined time horizon (holding period) and with a specific level of statistical confidence. With regard to the parameters of the model used, the Group measures, following a prudential approach, a VaR with a confidence interval of 99%, over a holding period of one day. The positions subject to VaR calculation are those in financial instruments that can be classified as assets or liabilities belonging to the trading book.

VaR is measured on a daily basis at the level of the overall portfolio of owned securities. At different intervals, an information report is also produced for the Bodies, Top Management and the functions involved in the financial process.

To calculate VaR, the Group adopts the Montecarlo methodology, using historical series with a depth of one year. The historical series that underlies the simulations are updated on a daily basis by entering the most recent data for each series and excluding the most distant observation. The Group has chosen the Montecarlo method because, due to the composition of the proprietary portfolio and the type of operations carried out, it allows a reliable measurement of exposure to risks.

The aggregation of the risk factors and the diversification effect on the portfolio takes place considering the implicit correlations in the historical series of the data used.

The model currently developed covers generic market risks (interest rate risk, price risk and exchange rate risk).

The limits are resolved annually by the Board of Directors and the Risk Monitoring Committee according to their respective responsibilities.

The Group does not currently use an internal model for the management of market risks to determine the prudential capital requirements of the trading book.

1.2 Market risks

1.2.1 INTEREST RATE RISK AND PRICE RISK - REGULATORY TRADING BOOK

Quantitative information

1. Regulatory Trading Book: breakdown by residual duration (repricing date) of on-balance sheet financial assets and liabilities and financial derivatives

Currency of Denomination: EURO

Type/Residual duration	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	Indefinite duration
1. On-balance sheet assets	2	3,423	408	-	9,258	9,211	8,154	-
1.1 Debt securities	2	3,423	408	-	9,258	9,211	8,154	-
- with early repayment option	-	2,101	408	-	256	-	-	-
- other	2	1,322	-	-	9,002	9,211	8,154	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	-	-	-	-	-	-	-	-
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives		3,938						
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security		3,938						
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	2,232	-	-	-	-	-	-
+ Short positions	-	1,706	-	-	-	-	-	-

1. Regulatory Trading Book: breakdown by residual duration (repricing date) of on-balance sheet financial assets and liabilities and financial derivatives

Currency of denomination: OTHER CURRENCIES

Type/Residual duration	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	Indefinite duration
1. On-balance sheet assets	-	-	-	-	-	-	-	-
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	-	-	-	-	-	-	-	-
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives		3,937						
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security		3,937						
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	1,711	-	-	-	-	-	-
+ Short positions	-	2,226	-	-	-	-	-	-

In consideration of the residual nature of the amounts in currencies other than the euro, they were all aggregated in the above table.

The effect of a change in interest rates of +/- 100 basis points on the net interest income, operating income and shareholders' equity is described below.

Risk exposure due to a change in interest rates of +100 basis points:

a. effect on net interest income in the following twelve months:	EUR 14 thousand
b. effect on profit for the year:	EUR (1,824) thousand
c. effect on shareholders' equity:	Euro 0 thousand

Risk exposure due to a change in interest rates of - 100 basis points:

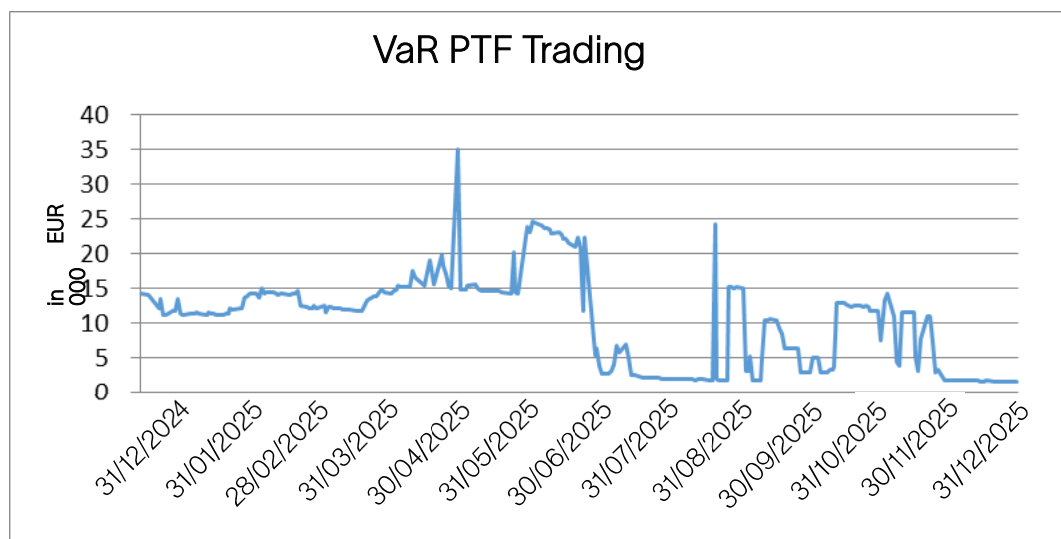
a. effect on net interest income in the following twelve months:	EUR (14) thousand
b. effect on profit for the year:	EUR 2,058 thousand
c. effect on shareholders' equity:	Euro 0 thousand

2. Regulatory Trading Book: breakdown of exposures in equity securities and equity indices for the main countries of the quotation market

Type of transactions/Quotation index	Listed						Not listed
	ITALY	UNITED STATES OF AMERICA	AUSTRIA	SWITZERLAND	GERMANY	OTHER COUNTRIES	
A. Equity securities							
- long positions	9	-	2	19	-	-	-
- short positions	-	-	-	-	-	-	-
B. Purchases and sales of equity securities not yet settled							
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-
C. Other derivatives on equity securities							
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-
D. Derivatives on equity indices							
- long positions	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-

3. Regulatory Trading Book: internal models and other methods for sensitivity analysis

The attached table shows the trend in the year of risk in terms of Value at Risk (VaR) (Montecarlo method) on the asset positions in the Regulatory Trading Book, limited to the exposure in securities. The measurement is based on a 99% confidence interval and a holding period of 1 day.



VaR values in the last 12 months:	Euro 000
Start of period:	14
End of period:	2
Maximum:	35
Minimum:	2
Average:	10

1.2.2 Interest rate risk and price risk – Banking Book

QUALITATIVE INFORMATION

General aspects, management processes and measurement methods for interest rate risk and price risk

The structural interest rate risk (so-called “Interest Rate Risk in the Banking Book” or “IRRBB”) is the risk of suffering a reduction in the value of equity or a decrease in the net interest income deriving from the impact of adverse changes in interest rates on asset and liability items other than those allocated to the Regulatory Trading Book. The regulatory banking book is defined as residual with respect to the trading book and therefore includes all positions not included in the supervisory trading book. Therefore, the banking book includes:

- a) assets and liabilities generated by treasury operations and therefore interbank deposits given and received, repurchase agreements, etc. (discretionary interest rate risk);
- b) assets and liabilities generated by transactions with ordinary customers (retail and corporate); in this case, the risk is strictly related to the commercial policies of funding and lending and therefore to the “structure” of the financial statements (interest rate risk of a structural nature);
- c) financial assets other than those held for trading.

The sources from which this risk originates can be identified in the negative events that mainly impact the credit, funding and finance processes.

Interest rate risk mainly takes the form of:

- “rate revision risk”, related to the time mismatches in the maturity or revision date of the rate of assets, liabilities and off-balance sheet items;
- risk deriving from changes in the inclination and shape of the interest rate curve (so-called “yield curve risk”);
- base risk, deriving from an imperfect correlation in the adjustment of lending and borrowing rates on different instruments but with otherwise similar price revision characteristics;
- “risk arising from option rights” deriving from options, including embedded options which give the counterparties the possibility of early repayment of the amount due to or by the Parent Bank and/or revision of the economic conditions regarding the rates applied.

The price risk of the banking book is mainly represented by equity investments, UCITS units and other securities held for investment purposes.

A.1. Interest rate risk management processes and measurement methods

A.1.1 Organisational aspects

The Group’s interest rate risk management process, with reference to the banking book, consists of the following phases:

Risk management policy

The objective of the risk management policy is the implementation of short and long-term strategic guidelines, in order to quantify the resources to be allocated in the financial loans and investments segment in terms of exposure to interest rate and price risks of the overall banking book in terms of the volatility of the net interest income and the economic value of the shareholders' equity. The quantification of the resources to be allocated to the aforementioned segments is carried out, taking into account both the aforementioned market risks (in terms of interest rate risk, share price risk, exchange rate risk) and liquidity risk, on the basis of the results deriving from the analyses carried out on the forecasts regarding the trend of the main macro-economic variables, the main reference markets, national and international monetary policies, the characteristics of the company financial structure, the characteristics of the banking book, public restrictions and supervisory regulations.

Decisions on interest rate risk management are taken by the Risk Monitoring Committee.

Risk Measurement

The interest rate risk measurement phase involves the construction of an indicative measure of the risk deriving from the composition, structure and characteristics of the banking book.

Exposure to interest rate risk is expressed in two different perspectives: in the volatility of the economic value of the shareholders' equity and in the volatility of the net interest income or profits. Measurements take place both in the normal course of business and under stress assumptions.

The risk measurement is carried out by the Risk Management Department, which also produces the reports for the Corporate Bodies and functions involved in the process of managing the structural rate risk.

Risk control

The risk control phase is carried out by the Risk Management Department. The system of limits on risks for structural interest rate risk provides for the monitoring of limits and indicators relating to the impact of rate shocks.

Risk control is also carried out periodically by Internal Audit and by the units involved in the structural interest rate risk management process to verify:

- the adequacy and functionality of the financial process;
- compliance with the rules and criteria established on risk management;
- the proper performance of the activities and controls set up to monitor risks;
- any critical issues to be removed promptly.

A.1.2 Methodological aspects

With regard to the methodology for measuring the IRRBB and quantifying the corresponding internal capital, the Group, as it falls within the definition of less significant banks, uses the standardised methodology defined by the Supervisory Authority as a reference. This methodology is used to assess the impact of a hypothetical change in interest rates on the interest rate risk exposure relating to the banking book.

B. Fair value hedging

ASSETS HEDGING

Starting from March 2010, the risks deriving from the disbursement of floating rate mortgages with "Cap" (maximum limit on the interest rate applied to customers) are hedged against interest rate risk. In particular, if the cap rate provided for in the derivative contract is exceeded, the counterparty is obliged to pay an interest flow equal to the difference between the observed market rate and the rate itself.

For the purposes of defining the "hedging strategy" and identifying suitable instruments, mortgages with similar characteristics are grouped into "portfolios". A derivative contract is stipulated for each portfolio thus created.

Starting from January 2020, interest rate risk is hedged on a set of fixed-rate assets represented by mortgages. For these forms of fair value hedging, macro hedging was chosen. As of 2024, interest rate risk is also hedged with respect to individual securities in the proprietary securities portfolio. The Bank periodically carries out prospective and retrospective effectiveness tests in order to verify the degree of effectiveness of the hedge created and for the accounting management thereof.

LIABILITIES HEDGING

The interest rate risk on specific bond issues is hedged. In particular, hedging is carried out through the execution of a derivative contract for a single issue. The objective is to "transform" the issue rate into a floating rate linked to the 3 or 6-month Euribor. To this end, an Interest Rate Swap contract is stipulated where the active leg provides for the collection from the counterparty of the coupon to be paid to the bond subscribers, while the passive leg provides for the payment to the same counterparty of the floating rate indexed to Euribor plus or minus a certain spread. Bonds of this type are accounted for by adopting the fair value option and are represented in Item 30 of Liabilities.

As from 1 January 2014, the Bank decided to no longer issue fair value options, but to issue bonds allocated to Item 10.c. of Liabilities or at amortised cost and to hedge the related interest rate risks through OTC derivative contracts, recognising financial instruments in accordance with IAS 39 for the rules of hedge accounting (fair value hedging).

At 31 December 2024, there are no financial liabilities issued by the Bank and managed under hedge accounting.

1.2.2 Interest rate risk and price risk - Banking Book

1. Banking Book: breakdown by residual duration (by repricing date) of financial assets and liabilities

Currency of denomination: EURO

Type/Residual duration	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	Indefinite duration
1. On-balance sheet assets	1,378,831	4,034,066	2,494,539	511,130	2,937,793	1,710,412	1,203,672	-
1.1 Debt securities	399	458,660	1,476,955	284,148	1,324,523	94,035	16,812	-
- with early repayment option	-	26,209	3,853	7,699	88,570	1,885	4,695	-
- other	399	432,451	1,473,101	276,449	1,235,953	92,151	12,117	-
1.2 Loans to banks	752,215	99,232	2,779	888	-	-	-	-
1.3 Loans to customers	626,217	3,476,175	1,014,806	226,094	1,613,270	1,616,377	1,186,860	-
- current account	526,027	-	38	243	2,284	291	-	-
- other loans	100,190	3,476,175	1,014,768	225,851	1,610,986	1,616,085	1,186,860	-
- with early repayment option	35,820	2,841,103	664,590	188,590	1,333,019	1,260,502	899,672	-
- other	64,370	635,072	350,178	37,262	277,967	355,584	287,189	-
2. On-balance sheet liabilities	9,475,557	1,296,304	799,980	418,401	1,737,268	189,802	107,866	-
2.1 Due to customers	9,465,523	1,088,767	326,606	406,556	504,410	114,446	102,525	-
- current account	9,261,262	310,172	195,131	206,303	104,304	2,377	-	-
- other payables	204,260	778,595	131,475	200,254	400,107	112,068	102,525	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	204,260	778,595	131,475	200,254	400,107	112,068	102,525	-
2.2 Due to banks	10,024	192,946	473,374	11,845	442,726	68,737	5,341	-
- current account	9,891	-	-	-	-	-	-	-
- other payables	133	192,946	473,374	11,845	442,726	68,737	5,341	-
2.3 Debt securities	-	14,591	-	-	790,131	6,619	-	-
- with early repayment option	-	-	-	-	138,235	6,619	-	-
- other	-	14,591	-	-	651,897	-	-	-
2.4 Other liabilities	10	-	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	10	-	-	-	-	-	-	-
3. Financial derivatives	-	336,797	975,073	(40,094)	(321,861)	(451,517)	(498,475)	-
3.1 With underlying security	-	(99)	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	(99)	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	99	-	-	-	-	-	-
3.2 Without underlying security	-	336,897	975,073	(40,094)	(321,861)	(451,517)	(498,475)	-
- Options	-	(67,984)	(7,229)	2,116	26,899	23,021	23,178	-
+ Long positions	-	279	891	2,143	678,622	23,021	23,178	-
+ Short positions	-	68,263	8,120	27	651,723	-	-	-
- Other derivatives	-	404,881	982,302	(42,210)	(348,760)	(474,537)	(521,653)	-
+ Long positions	-	428,359	1,008,299	2,185	631	-	-	-
+ Short positions	-	23,478	25,997	44,395	349,391	474,537	521,653	-
4. Other off-balance sheet transactions	(177,762)	43,452	78,888	-	29	15	1	-
+ Long positions	112,504	43,452	78,888	-	29	15	1	-
+ Short positions	290,266	-	-	-	-	-	-	-

1. Banking Book: breakdown by residual duration (by repricing date) of financial assets and liabilities

Currency of denomination: OTHER CURRENCIES

Type/Residual duration	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	Indefinite duration
1. On-balance sheet assets	33,604	10,212	1,667	-	9	-	-	-
1.1 Debt securities	-	6,391	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	6,391	-	-	-	-	-	-
1.2 Loans to banks	33,511	-	-	-	-	-	-	-
1.3 Loans to customers	93	3,821	1,667	-	9	-	-	-
- current account	93	-	-	-	-	-	-	-
- other loans	-	3,821	1,667	-	9	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	3,821	1,667	-	9	-	-	-
2. On-balance sheet liabilities	38,568	-	-	-	-	-	-	-
2.1 Due to customers	38,568	-	-	-	-	-	-	-
- current account	38,176	-	-	-	-	-	-	-
- other payables	392	-	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	392	-	-	-	-	-	-	-
2.2 Due to banks	-	-	-	-	-	-	-	-
- current account	-	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early repayment option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives	-	-	-	-	-	-	-	-
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ Long positions	-	2,622	5,060	2,213	625	-	-	-
+ Short positions	-	2,622	5,060	2,213	625	-	-	-
4. Other off-balance sheet transactions	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-

In consideration of the residual nature of the amounts in currencies other than the euro, they were all aggregated in the above table.

The effects of a change in interest rates of +/- 100 basis points are described below.

Risk exposure due to a change in interest rates of + 100 basis points:

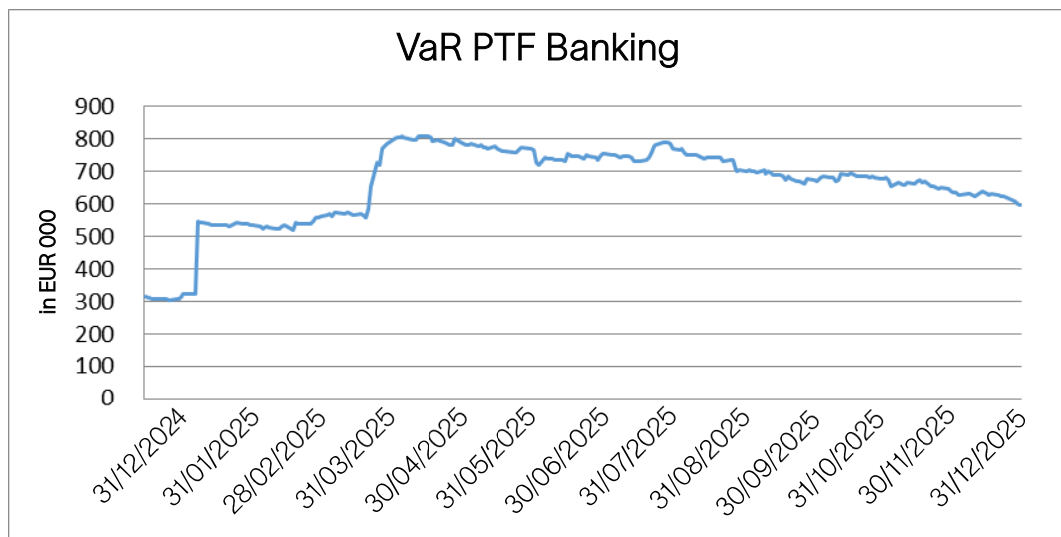
a. effect on net interest and other banking income in the following twelve	EUR (23,760) thousand
b. effect on profit for the year:	EUR (81,501) thousand
c. effect on shareholders' equity:	EUR (5,079) thousand

Risk exposure due to a change in interest rates of - 100 basis points:

a. effect on net interest and other banking income in the following twelve	EUR (2,507) thousand
b. effect on profit for the year:	EUR 22,484 thousand
c. effect on shareholders' equity:	EUR 5,188 thousand

2. Banking Book: internal models and other methods for sensitivity analysis

The attached table shows the trend of risk during the year in terms of Value at Risk (VaR) (Monte Carlo methodology) on the asset positions in the banking book, limited to the exposure in securities. The measurement is based on a 99% confidence interval and a holding period of 1 day.



VaR values in the last 12 months:	Euro 000
Start of period:	314
End of period:	598
Maximum:	810
Minimum:	305
Average:	662

1.2.3 Exchange rate risk

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for exchange rate risk

A.1 Sources of exchange rate risk

Exchange rate risk is the risk of incurring losses caused by adverse changes in exchange rates between foreign currencies and the euro in relation to all positions denominated in a foreign currency, both in the Regulatory Trading Book and in the banking book.

the main sources of exchange rate risk are:

1. foreign currency loans and deposits with customers;
2. purchases of securities and other financial instruments in foreign currency;
3. trading of foreign banknotes;
4. collection and/or payment of interest, commissions, dividends, etc.

A.2 Internal exchange rate risk management and control processes

The management processes and measurement methods for exchange rate risk are similar to those indicated for interest rate and price risks.

For the purposes of quantifying capital requirements, the Group adopts the standardised methodology envisaged by the supervisory provisions.

B. Exchange rate risk hedging

In general, the Group's policy is to minimize exposure to exchange rate risk. To this end, foreign currency positions are normally hedged by carrying out funding and/or lending transactions in the same currency.

Quantitative information

1. Breakdown of assets, liabilities and derivatives by currency

Items	Currencies					
	United States dollar	Pound sterling	Swiss franc	CAD	Australian dollar	OTHER CURRENCIES
A. Financial assets	39,420	151	3,749	670	674	309
A.1 Debt securities	6,391	-	-	-	-	-
A.2 Equity securities	-	-	-	-	-	-
A.3 Loans to banks	31,321	151	3,651	670	674	309
A.4 Loans to customers	1,709	-	99	-	-	-
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	406	158	402	-	-	-
C. Financial liabilities	33,194	219	3,764	649	689	7
C.1 Due to banks	-	-	-	-	-	-
C.2 Due to customers	33,194	219	3,764	649	689	7
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	447	-	101	-	-	-
E. Financial derivatives	-	-	-	-	-	-
- Options	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-
+ Long positions	11,504	-	726	-	1	-
+ Short positions	11,630	1	1,034	4	59	6
Total Assets	51,330	310	4,877	670	676	309
Total Liabilities	45,271	220	4,899	652	748	13
Difference (+/-)	6,058	89	(22)	18	(73)	296

SECTION 3 - DERIVATIVE INSTRUMENTS AND HEDGING POLICIES

1.3.1 Trading derivatives

A. Financial derivatives

A.1 Financial trading derivatives: notional amounts at the end of the period

Underlying assets/Types of derivatives	Total 31/12/2025				Total 31/12/2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	-	-	68,034	-	-	-	81,145	733
a) Options	-	-	68,034	-	-	-	81,145	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	733
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and equity indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	-	-	21,039	-	-	-	26,540	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	21,039	-	-	-	26,540	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Goods	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
Total	-	-	89,073	-	-	-	107,685	733

A.2 Financial trading derivatives: gross positive and negative fair value - breakdown by product

Types of derivatives	Total 31/12/2025				Total 31/12/2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting agreements	Without netting agreements				With netting agreements	
1. Positive fair value								
a) Options	-	-	510	-	-	-	435	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	170	-	-	-	570	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	-	-	680	-	-	-	1,005	-
2. Negative fair value								
a) Options	-	-	-	-	-	-	3	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	147	-	-	-	548	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	-	-	147	-	-	-	551	-

A.3 OTC financial hedging derivatives - notional amounts, gross positive and negative fair value by counterparty

Underlying assets	Central counterparties	Banks	Other financial companies	Other parties
Contracts not falling under netting agreements				
1) Debt securities and interest rates				
- notional amount	X	1,442,867	-	-
- positive fair value	X	58,679	-	-
- negative fair value	X	7,663	-	-
2) Equity securities and equity indices				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Goods				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts falling under netting agreements				
1) Debt securities and interest rates				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and equity indices				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Goods				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual life of OTC financial derivatives: notional amounts

Underlying/Residual life	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	-	58,167	9,867	68,034
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	19,790	1,250	-	21,039
A.4 Financial derivatives on goods	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	19,790	59,417	9,867	89,073
Total 31/12/2024	26,540	3,330	77,815	107,685

1.3.2 Accounting hedges

A.1 Financial hedging derivatives: notional amounts at the end of the period

Underlying assets/Types of derivatives	Total 31/12/2025				Total 31/12/2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	-	-	1,442,867	-	-	-	1,268,864	-
a) Options	-	-	13,958	-	-	-	16,240	-
b) Swaps	-	-	1,428,909	-	-	-	1,252,624	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and equity indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Goods	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
Total	-	-	1,442,867	-	-	-	1,268,864	-

A.2 Financial hedging derivatives: gross positive and negative fair value – breakdown by product

Types of derivatives	Positive and negative fair value								Change in value used to identify the ineffectiveness of the hedge	
	Total 31/12/2025				Total 31/12/2024				Total 31/12/2025	Total 31/12/2024
	Over the counter			Organised markets	Over the counter			Organised markets		
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties				
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements			
Positive fair value										
a) Options	-	-	119	-	-	-	102	-	-	
b) Interest rate swaps	-	-	58,560	-	-	-	31,116	-	-	
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	
d) Equity swaps	-	-	-	-	-	-	-	-	-	
e) Forwards	-	-	-	-	-	-	-	-	-	
f) Futures	-	-	-	-	-	-	-	-	-	
g) Other	-	-	-	-	-	-	-	-	-	
Total	-	-	58,679	-	-	-	31,218	-	-	
Negative fair value										
a) Options	-	-	-	-	-	-	-	-	-	
b) Interest rate swaps	-	-	7,663	-	-	-	30,576	-	-	
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	
d) Equity swaps	-	-	-	-	-	-	-	-	-	
e) Forwards	-	-	-	-	-	-	-	-	-	
f) Futures	-	-	-	-	-	-	-	-	-	
g) Other	-	-	-	-	-	-	-	-	-	
Total	-	-	7,663	-	-	-	30,576	-	-	

A.3 OTC Financial hedging derivatives - notional amounts, gross positive and negative fair value by counterparty

Underlying assets	Central counterparties	Banks	Other financial companies	Other parties
Contracts not falling under netting agreements				
1) Debt securities and interest rates				
- notional amount	X	1,442,867	-	-
- positive fair value	X	58,679	-	-
- negative fair value	X	7,663	-	-
2) Equity securities and equity indices				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Goods				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts falling under netting agreements				
1) Debt securities and interest rates				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and equity indices				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Goods				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual life of OTC financial hedging derivatives: notional amounts

Underlying/Residual life	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	83,954	359,434	999,479	1,442,867
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	-	-	-	-
A.4 Financial derivatives on goods	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	83,954	359,434	999,479	1,442,867
Total 31/12/2024	72,950	310,879	885,034	1,268,864

1.3 Banking Group – Liquidity Risk

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for liquidity risk

A.1. General aspects

Liquidity risk is defined as the Group's inability or difficulty to fulfil its payment commitments. In particular, liquidity risk is considered in the following two cases identified as the sources generating liquidity:

- *Funding Liquidity Risk*: i.e. the risk that the Group may not be able to efficiently deal with current and future cash outflows, expected and unexpected, and any collateral requirements, without affecting daily operations or its financial position;
- *Market Liquidity Risk*: i.e., the risk that the Group may not easily sell a position at market prices due to insufficient market liquidity or due to turbulence in the market.

Liquidity risk is measured, managed and controlled based on different time horizons:

- *intra-day* in order to assess the ability to effectively manage its liquidity requirements during the operating day in light of the payments to be made (so-called "intra-day liquidity");
- *"Short-term"* (normally up to one year) in order to assess the adequacy of the assets that can be used to meet any funding requirements (so-called "operating liquidity");
- *"Medium-long term"* (usually beyond the year) in order to assess the financial balance of the Group with particular reference to the degree of transformation of maturities (so-called "structural liquidity").

Liquidity risk can be generated by various factors internal and external to the Group. The identification of these risk factors is achieved through:

- the analysis of the time distribution of cash flows from financial assets and liabilities as well as off-balance sheet transactions;
- the identification:
 - of items that do not have a defined maturity ("demand and revocable" items);
 - of financial instruments that incorporate optional components (explicit or implicit) that may change the size and/or the time distribution of cash flows (for example, early redemption options);

- of financial instruments that by nature determine variable cash flows depending on the performance of specific underlying assets (for example, derivatives).
- the analysis of the level of seniority of the financial instruments.

The processes in which the Group's liquidity risk originates are mainly represented by the Finance/Treasury, Funding and Credit processes.

The Group continuously monitors its liquidity profile in order to identify and carefully assess potential impacts due to the current geo-political environment.

A.2. Management processes and measurement methods for liquidity risk

A.2.1 Organisational aspects

In compliance with the supervisory provisions issued in this regard, the Group has defined the organisational and procedural controls for the supervisory provisions on the governance and management of liquidity risk. In particular, the regulation of the liquidity risk management process was defined, dividing it into the following phases:

- identification of liquidity risk;
- measurement of liquidity risk; in a context of "normal course of business" and in the event of stress;
- detection and monitoring of "early warning indicators";
- recognition of encumbered assets;
- liquidity risk monitoring;
- liquidity risk prevention/mitigation: definition and updating of operating limits, funding plan, funds transfer pricing system, escalation procedures for operating limits and risk indicators, Contingency Funding and Recovery Plan, plan to restore compliance with liquidity requirements;
- liquidity risk reporting and communication.

In compliance with the above-mentioned regulation, the methodological and organisational profiles for the measurement, management and control of liquidity risk are defined and formalised in the internal regulations in compliance with the aforementioned supervisory provisions. These regulations concern:

- a) the **methodological profiles for measuring both short-term and structural liquidity risk**, which govern in detail the components to be considered and the related treatment, as well as the ratios and indicators to be quantified to determine the exposure to the aforementioned risk. In this regard, it should be noted that the measurement is carried out separately by adopting an approach:
 - "static", i.e., considering only transactions already in place at the measurement date, including forecast transactions. The Risk Management measures short-term liquidity risk on a daily basis, while structural liquidity risk is usually measured on a monthly basis;
 - "in the event of stress", i.e., in the case of particularly adverse unexpected scenarios that determine an increase in exposure to liquidity risk;
- b) the **methodological profiles concerning the system of "warning indicators"** which governs the set of indicators (or "early warning indicators") adopted for the purpose of qualifying the reference operating context and the activation of the emergency plan. For each indicator adopted, the algorithm for the periodic valuation, the information sources to be used, the monitoring frequency and the corporate functions responsible for calculating the same indicators are explained. In this regard, to be noted is that, for each indicator, the ranges of values to be adopted for the qualification of the operating context are

defined and updated by the Risk Monitoring Committee also to take into account the evolution of the context in which the Group operates.

The Risk Management Department is responsible for the overall monitoring of the system of early warning indicators. In the event that the values assumed by one or more early warning indicators qualify the reference operating context as a "stress situation", the Risk Management Department provides a specific report to the Chief Executive Officer -General Manager, taking into account the analyses carried out by the Risk Management Department and the Finance and Treasury Department;

- c) the **emergency plan (known as "Contingency Funding Plan")** which governs the management of crisis situations attributable to the market or to specific situations of the Group. The main purpose of the Contingency Funding Plan is to protect the Group's assets in situations of liquidity drain by identifying the strategies to be implemented to manage the crisis and find sources of funding. Specifically, the Plan mainly defines:
- the process of qualification of the operating context and the external and internal communication procedures, also addressed to the Board of Directors. In particular, due to the deterioration of the liquidity position, the operating context of "stress situation" is envisaged;
 - the parties/Corporate Bodies involved as well as the roles and responsibilities assigned in the event of activation of the emergency plan. The management of the "stress condition" is entrusted to the Risk Monitoring Committee;
 - the potential actions to be taken for the management of a "stress situation" and the estimated timeframe for the activation of the individual measure, in the event that there are no prerequisites for the activation of the Recovery Plan and the consequent adoption of the procedures provided therein.

Risk Management monitors the liquidity profile with reference to the short-term liquidity risk and in relation to the structural liquidity risk, while the measurement of intra-day liquidity risk is carried out by the Treasury Service as part of its daily operations.

The **reporting system** was also defined, specifying the objectives, content, frequency of preparation and recipients for each report.

The Basel Committee, as part of the Basel 3 framework, has introduced new liquidity requirements that require banks to maintain a minimum level of liquidity to deal with stress situations and ensure a balanced relationship between stable funding sources and loans. For short-term liquidity, the "Liquidity Coverage Ratio" (LCR) indicator was introduced: This is a short-term liquidity constraint designed to ensure that the Group maintains sufficient high-quality liquid assets to meet liquidity stress situations.

The ratio of high-quality liquid assets to expected net cash outflows over the next 30 days, estimated based on a stress scenario, is required to be greater than 100% at all times (to be met on a consolidated basis in accordance with Article 460 CRR and Article 38 of Delegated Regulation (EU) 2015/61).

It should be noted that the calculation of the LCR in compliance with the provisions set out on a consolidated basis at 31 December 2025 is 191.24% and, therefore, well above the minimum binding requirement.

A.2.2 MEASUREMENT METHODS FOR LIQUIDITY RISK

A.2.2.1 Short-term liquidity risk

The measurement of the exposure to short-term liquidity risk in a normal course of business, aims to qualify the ability to meet its payment obligations in a condition of regular liquidity management. The measurement of operational liquidity risk exposure is prepared from a current perspective. Exposure to short-term liquidity risk is quantified through the use of maturity brackets (known as Maturity ladder) which make it possible to assess, from

both a current and a prospective view, the balance of expected cash flows by comparing the cash inflows and outflows within the same maturity bracket.

For the quantification of short-term liquidity risk, from a current perspective, the Group:

- determines, for each time bracket of the maturity ladder, the inflows and outflows related to on-balance sheet assets and liabilities as well as to off-balance sheet transactions;
- identifies and quantifies the Counterbalancing Capacity (CBC) and the liquidity reserve;
- estimates the availability/requirements relating to the management of the compulsory reserve (ROB).

In quantifying the cash flows for each bracket, reference is made to both the capital and interest profiles. With reference to transactions with a repayment plan, the residual contractual duration of the individual instalments is determined.

The Counterbalancing Capacity is the set of assets that can be sold or used in refinancing transactions (for example, repo transactions) and which therefore make it possible to obtain liquidity over the forecast horizon considered. The assets that can be readily liquidated are included in the Counterbalancing Capacity by reference to the market value net of a haircut.

For each maturity of the maturity ladder, the periodic gaps and the cumulative imbalances are quantified in order to show the net balance of the financial requirement (or surplus).

The imbalances in the bracket are calculated by comparing the cash inflows and outflows, allocated in the same time bracket. Otherwise, the cumulative imbalances for each bracket of the maturity ladder are determined as follows:

$$\text{Cumulative gap}_{0,t} = [(\text{Cash inflows}_{0,t} - \text{Cash outflows}_{0,t}) + \text{Total liquidity reserves}_{0,t}]$$

Exposure to liquidity risk, in addition to the normal course of business, is also measured under stress conditions. The "stress tests" are techniques through which it is possible to assess the impact of negative events on the exposure to risk and on the adequacy of the liquidity reserves in terms of quantity and quality.

In order to carry out the "stress tests", the "risk factors" are identified in advance, i.e. the variables whose performance may worsen the exposure to risk. The set of variables considered in the "stress tests" define the adverse scenario.

With reference to the stress tests related to short-term liquidity risk, they are distinguished on the basis of the nature of the causes that determine the stress condition. In particular, stress situations are considered separately:

- of an "idiosyncratic" nature, *i.e.*, attributable to causes specifically attributable to the Group or to the individual Entity;
- "systemic" in nature, *i.e.*, connected to a situation of instability in the monetary and financial markets.

The assumptions underlying the scenarios are considered realistic but, at the same time, adequately conservative with reference to the severity and duration of the simulated shock. The duration of the scenario concerns the time horizon in which the stress situation occurs.

The Parent Bank carries out a monthly stress test on operational liquidity by calculating the Liquidity Coverage Requirement (LCR), which is aimed at strengthening the short-term profile of liquidity risk by ensuring that the Parent Bank has a sufficient level of liquidity reserves to overcome an acute 30-day stress situation.

The LCR indicator is measured on a quarterly basis with a view to stress, analysing the impact deriving from adverse events and scenarios on the indicator itself.

A.2.2.2 Structural liquidity risk

The measurement of structural liquidity risk, in a context of the normal course of business, aims to identify any structural imbalances between assets and liabilities due beyond one year. The quantification of the exposure to structural liquidity risk is necessary in order to prevent and manage the risks deriving from a high transformation of maturities avoiding the emergence of situations of future liquidity tension.

The medium/long-term liquidity risk measurement method is based on an approach that compares cash inflows and outflows for each maturity ladder. In particular, the maturity ladder is constructed:

- by identifying one or more brackets with a maturity of less than one year;
- by adopting, for longer maturities, a number of brackets at least equal to that provided by supervisory regulations for the calculation of the exposure to interest rate risk on the Banking book;
- by setting a specific bracket for items that are not subject to disbursement and items of indefinite duration respectively.

For the calculation of structural liquidity risk, the following are considered:

- the technical forms that provides for a specific contractual profile by maturity (e.g., loans to customers, bond loans);
- demand items that do not have a contractual maturity profile (current accounts receivable and payable, demand deposits);
- other technical forms that by nature do not have a contractual profile by maturity (equity items, provisions for risks and charges, equity securities, UCITS, property, plant and equipment, etc.).

The technical forms with a contractual maturity profile are placed, based on said maturity, in the relevant maturity brackets of the maturity ladder. As regards on-demand items concerning both funding and loans to customers, the model used makes it possible to identify:

- a structural component, *i.e.*, the amount that is considered “stable” over time and, therefore, to be placed in the “indefinite” range;
- a non-structural component, *i.e.*, the amount that is considered “volatile” over time and, therefore, to be placed in the maturity bracket according to a specific time profile that reflects the expected incoming/outgoing cash flows.

As regards the monitoring of the Group’s structural liquidity position, the Net Stable Funding Ratio (NSFR) is also calculated at management level. This indicator identifies the ratio of Available Stable Funding (available amount of stable funding) to Required Stable Funding (necessary amount of stable funding).

It should be noted that the calculation of the NSFR in compliance with the provisions, set out on a consolidated basis at 31 December 2025 is 125.50%, well above the minimum binding requirement (100%).

B. Evolution of exposure to liquidity risk

During the year, the Group implemented a number of initiatives aimed at limiting its exposure to liquidity risk. As part of the 2025 Funding Policy, the Group has identified specific initiatives aimed at:

- guaranteeing an amount of liquidity reserves in order to maintain levels well above the required regulatory requirements;
- setting up a buffer to face the risk of any significant outflows of deposits as well as supporting loans to customers;
- the diversification of funding sources;
- to cope with monetary policy decisions by the ECB.

The Group's exposure to unexpected cash outflows mainly concerns:

- liability items that do not have a defined maturity (primarily current accounts payable and demand deposits);
- liabilities at maturity (certificates of deposit, term deposits) which, at the request of the depositor, can be repaid in advance;
- its own bonds listed on the HiMTF market, for which the Group has undertaken a commitment to repurchase;
- the margins available on the credit lines granted.

In addition to the deposits of private and corporate customers, which represent the most important part of its direct funding, the Parent Bank also draws on additional liquidity supply channels, among the most important of which is the funding with the European Central Bank and the OTC Repo with market counterparts. As at 31 December 2025 the Parent Bank has an outstanding exposure of EUR 275 million towards the European Central Bank (ECB) and an overall amount of EUR 774 million with different banking counterparts under the form of Repos. At the end of 2025, the subsidiary Bank had EUR 275 million and EUR 106 million for the same types of funding, respectively. At 31 December 2025, the Group had a large amount of liquid assets that was largely sufficient to meet its liquidity requirements, even in the event of stress. In fact, at the aforementioned date, the LCR indicator has a value well above that required by the mandatory requirements. The Group's liquid assets are represented almost exclusively by securities issued by the Italian government and by the amount of exposure to the Central Bank, as well as guaranteed bank bonds. From a structural point of view, the Group, at 31 December 2025, has a structure by maturity brackets that is sufficiently balanced in that it has a stable amount of funding sufficient to balance medium/long-term assets. In particular, with reference to the maturity profile, the amount of medium/long-term assets, represented mainly by mortgages and loans to customers, is balanced by stable funding, represented not only by assets, but also by medium/long-term liabilities and on-demand liabilities which, however, show high stability rates based on contractual characteristics and depositors.

With regard to the concentration of funding sources at 31 December 2025, it should be noted that:

- the incidence of deposits from the top 10 non-banking counterparties on total deposits from ordinary customers was 13.87%;
- the ratio of retail funding to total funding used in the calculation of the LCR indicator is 61%;
- the ratio of the amount of certificates of deposit, term deposits and bonds maturing for each of the following 12 months to the total of the same outstanding instruments is limited and in any case never exceeds 14%.

1.4 - Liquidity risk - A. General aspects, management processes and measurement methods for liquidity risk

Quantitative information

1. Time breakdown by residual contractual duration of financial assets and liabilities

Currency of denomination: EURO

Items/Time brackets	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	Indefinite duration
On-balance sheet assets	1,575,651	36,425	25,086	101,725	661,866	778,096	979,122	5,989,964	4,613,633	106,380
A.1 Government bonds	126	-	1,355	-	168,078	228,495	227,498	1,751,444	388,480	-
A.2 Other debt securities	89,620	-	3,974	1,981	22,116	9,013	73,133	750,360	89,789	-
A.3 UCITS units	151,937	-	-	-	-	-	-	-	-	-
A.4 Loans	1,333,968	36,425	19,757	99,743	471,672	540,589	678,491	3,488,160	4,135,364	106,380
- Banks	795,931	9,701	673	110	2,534	2,779	888	-	-	106,380
- Customers	538,037	26,724	19,084	99,633	469,139	537,810	677,603	3,488,160	4,135,364	-
On-balance sheet liabilities	9,479,280	218,241	224,084	205,644	421,977	786,003	461,225	1,854,195	700,996	-
B.1 Deposits and current accounts	9,457,389	93,018	43,658	106,472	389,653	308,942	378,341	303,065	2,523	-
- Banks	9,943	50,720	-	-	-	-	-	-	-	-
- Customers	9,447,446	42,298	43,658	106,472	389,653	308,942	378,341	303,065	2,523	-
B.2 Debt securities	-	-	-	-	14,130	178	7,963	749,200	144,100	-
B.3 Other liabilities	21,891	125,224	180,426	99,172	18,194	476,884	74,920	801,930	554,373	-
Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	-	2,232	-	325	2,350	5,074	2,185	631	-	-
- Short positions	-	1,805	-	324	2,346	5,064	2,182	626	-	-
C.2 Financial derivatives without exchange of capital										
- Long positions	-	-	-	641	589	878	1,722	657,895	-	-
- Short positions	-	-	-	555	7,282	1,842	3,937	651,722	-	-
C.3 Deposits and loans to be received										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	1	-	-	-	3	45,009	8	77,902	111,965	-
- Short positions	290,266	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-

1. Time breakdown by residual contractual duration of financial assets and liabilities

Currency of denomination: OTHER CURRENCIES

Items/Time brackets	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	Indefinite duration
On-balance sheet assets	33,698	619	816	777	8,043	1,676	-	11	4	-
A.1 Government bonds	1	-	-	-	6,423	-	-	-	-	-
A.2 Other debt securities	56	-	-	-	-	-	-	-	4	-
A.3 UCITS units	-	-	-	-	-	-	-	-	-	-
A.4 Loans	33,641	619	816	777	1,620	1,676	-	11	-	-
- Banks	33,550	-	-	-	-	-	-	-	-	-
- Customers	91	619	816	777	1,620	1,676	-	11	-	-
On-balance sheet liabilities	38,570	-	-	-	1	-	-	-	-	-
B.1 Deposits and current accounts	38,570	-	-	-	1	-	-	-	-	-
- Banks	-	-	-	-	-	-	-	-	-	-
- Customers	38,570	-	-	-	1	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-
Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	-	1,711	-	321	2,301	5,060	2,213	625	-	-
- Short positions	-	2,226	-	321	2,301	5,060	2,213	625	-	-
C.2 Financial derivatives without exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to be received										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-

SECURITISATION OF CREDITS - SPARKASSE

On 1 July 2009, 1 November 2011, 1 July 2014 and 1 May 2018, pursuant to Law 130/1999, four securitisation transactions were carried out on performing loans (called FANES 1, FANES 2, FANES 3 and FANES 4) transferring without recourse to the specially established special purpose entity Fanes S.r.l., a portfolio of performing residential mortgages secured by mortgages for Euro 481.9, 575.8, 509.8 and 507.2 million, respectively.

On 1 May 2020, the Bank completed a fifth securitisation transaction (FANES 5) of performing loans, transferring without recourse to the special purpose entity Fanes S.r.l., no longer a portfolio of residential mortgages, but a portfolio of loans disbursed to businesses, for an amount of Euro 748.9 million. The issue of the Notes is of the "rump-up" type and therefore allows for subsequent increases in the securitised portfolio for a maximum value of the Senior Notes of Euro 2 billion and for the Junior Notes of Euro 1 billion over a defined period of time which ended on 29 June 2022.

All transactions, carried out with the assistance of the arranger Finanziaria Internazionale S.r.l., are classified as "self-securitisations" as the loans sold are always recorded in the balance sheet assets and the securities issued by the special purpose entity have been fully subscribed, and have the objective of strengthening liquidity control through the availability of securities called ABS (Asset Backed Securities) that can be readily used as collateral for refinancing with the European Central Bank.

In 2016, in 2018 and in 2022, the Bank decided to remodulate and make the securitisations more efficient, closing the first, second and third securitisation respectively, after the latter in 2018 had been restructured (size increase) through the sale of an additional portfolio (consisting of part of the loans repurchased in the context of the unwinding and other residential mortgages disbursed by the Bank, especially in the last two years) of approximately Euro 530 million, and the consequent increase in the nominal amount of the asset-backed securities issued in the context of this securitisation, and opening, again in 2018, the fourth transaction in which the residual receivables of the second and a newly disbursed package were merged.

At the end of 2025, the outstanding issues are summarised below:

FANES 4

Security	Nominal value at issue	Nominal value as at 31.12.2025	Seniority	Expiry date	External rating	First coupon detachment
IT0005336018	355,900,000	0	Senior A1	24/12/2061	-	24/09/2018
IT0005336026	90,000,000	59,618,034	Senior A2	24/12/2061	Moody's Aa2 S&P AA+	24/09/2018
IT0005336034	61,315,000	61,315,000	Junior	24/12/2061	-	24/09/2018

It should be noted that on 13 February 2019 the Bank sold the entire amount of the Senior A1 tranche of the Fanes 4 transaction to institutional investors. As the risk profile for the Bank does not change, the transaction maintains its characteristics unchanged, i.e. the underlying financial assets are not derecognised. An item representing the payable to the securitisation special purpose entity is recorded under liabilities, which is reduced from time to time together with the pool factor repayments of the Notes. In March 2025, the senior notes were fully repaid to subscribers.

It should also be noted that both Moody's and S&P, external rating companies, have improved the rating assigned to class A2 Note for the securitisation of Fanes 4, and for the transaction Fanes 5 DBRS has raised the rating to triple A.

FANES 5

Security	Nominal amount	Seniority	Expiry date	External rating	First coupon detachment
IT0005412363	479,300,000 (rump-up to 2,000,000,000) 29/06/2022 increase of 286,515,626	Senior	28/06/2060	DBRS AAA S&P A+	28/09/2020
IT0005412371	269,583,000 (rump-up to 1,000,000,000) 29/06/2022 increase of 49,307,819	Junior	28/06/2060	-	28/09/2020

On 29 June 2022, the Bank proceeded with a rump-up of the securitised portfolio translated into an increase of Euro 286,515,626 for the Senior notes and Euro 49,307,819 for the Junior notes.

As stated, the "Senior" tranches are used for refinancing transactions, while the "Equity" tranches ("Junior" tranches), that represent the security on which the risk of insolvency weigh, are in the portfolio of the Bank.

The securitisation transactions have no impact on customers, who, as required by law, are notified of the transfer of loans.

The Bank, in its role as servicer, continues to manage the payment flows and all other activities related to the normal management of loans, as well as to report to the SPE on the performance of the transactions.

The transactions structured in this way do not constitute securitisation risk pursuant to Pillar 1 and Pillar 2 of Basel 2 regulations.

For all securitised loans, the same management and measurement criteria used for the remaining loans are adopted.

SECURITISATION OF LOANS FOR THE ISSUE OF COVERED BONDS

In 2022, the Bank established a Programme for the emission of Covered Bonds (CB) with a maximum amount of EUR 3,000 million. This type of bond is backed by a double guarantee to protect bondholders: on the one hand, by the assets of the issuing bank and, on the other hand, in the event of default, by the segregated assets of a special purpose vehicle, legally independent from the issuing bank and dedicated exclusively to the assumption of guarantees in favour of the CB bondholders. In this regard, the Bank has taken on the controlling interest (60% of the share capital) in the company SPK OBG S.r.l., established specifically to acquire in its segregated assets the assets sold by the Bank, representing the assets on which SPK OBG S.r.l. issues guarantees to holders of CBs issued by the Bank. The remaining 40% of the share capital is held by a "Stichting" under Dutch law. The initial portfolio of performing residential mortgages sold by the Bank to SPK OBG S.r.l. in the first half of 2022 amounted to approximately Euro 450 million, whose consideration SPK OBG S.r.l. paid through a subordinated loan granted by the same Bank.

With the structuring of the CB programme, the Bank has equipped itself with a highly competitive collection tool that makes it possible, among other things, to adopt a

- an additional medium/long-term funding channel suitable to meet structural financing needs,
- a tool that tends to be easy to place on the institutional market,

- a rapid issue instrument, which can also be refinanced directly by the European Central Bank.

In June of 2022, the Bank carried out the first issuance of a Covered Bond with ISIN code IT0005497141 as part of the aforementioned program and with the following characteristics:

- nominal amount: Euro 300 million
- duration: from 8 June 2022 to 8 June 2028, extendable to 8 June 2029
- fixed rate for the entire life of the security equal to 0.5% p.a.
- rating assessment by Fitch Ratings: AA

At least initially, this first issue was fully subscribed by the Bank itself and deposited with the European Central Bank as a pledge for the existing TLTRO-III loans. At the end of 2023, the bond was used as the underlying asset of Repo transactions with a duration of 24 months, and is still used in these transactions.

In November 2023, the Parent Bank carried out a second issue of covered bonds, this time also transferring a portfolio of loans of the subsidiary Banca di Cividale, with ISIN code IT0005571028 as part of the above programme and with the following characteristics:

- nominal amount: Euro 250 million
- duration: from 28 November 2023 to 28 November 2027, extendable until 28 November 2028
- fixed rate for the entire life of the security equal to 3.0% p.a.
- rating assessment by Fitch Ratings: AA.

This bond, fully subscribed by the Parent Bank, was also used as the underlying of repurchase agreements.

Finally, in April 2024, the Bank issued a third covered bank bond, through the sale of a portfolio of loans consisting in part of loans of the Bank and in part of loans of the subsidiary Banca di Cividale, with ISIN code IT0005593279, again in the context of the aforementioned programme and with the following characteristics:

- nominal amount: Euro 250 million
- duration: from 24 April 2024 to 24 April 2028, extendable until 24 April 2029
- fixed rate for the entire life of the security equal to 3.25% p.a.
- rating assessment by Fitch Ratings: AA.

SECURITISATION OF LOANS - CIVIBANK

A. Financial assets sold and not fully cancelled

QUALITATIVE INFORMATION

Securitisation transactions

In the framework of the various measures aimed at strengthening the management of liquidity risk exposures, the Bank has carried out securitisation transactions in order to increase the assets liquidity degree and prudentially increase the availability of financial instruments that can be allocated for funding transactions with the European Central Bank or in any case that can be used as collateral in financing transactions beyond the short-term with institutional and market counterparties. Consistent with these purposes, all the asset-backed securities issued by the SPE established pursuant to Law 130/99 are fully subscribed by the Bank, for the Civitas Spv Srl - RMBS - SME - 2019 transactions, while for the Civitas Spv Srl - RMBS - 2017 transaction and for the last one established at the end of 2025, the Bank holds only the Junior notes (consequently retaining the credit risk relating to the underlying loans disbursed) as well as partially the senior note. Consequently, since the substantiality of the risks/benefits linked to the transferred portfolio has been retained, the loans were not cancelled from the balance sheet assets. A summary table is provided below for each of the securitisation transactions carried out.

Section 4 - Operational risks

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for operational risk

Operational risk is defined as the risk of incurring losses deriving from the inadequacy or malfunction of procedures, human resources and internal systems, or from external events. This category includes, *inter alia*, losses deriving from fraud, human error, interruption of operations, unavailability of systems, contractual defaults. Operational risk includes legal risk, while strategic and reputational risks are excluded.

Based on the regulatory definition, operational risk, as part of the banking business, is generated across all business processes and is attributable to seven risk categories called "Event type". Specifically, the risk classes are broken down into: internal fraud, external fraud, employment relationships and safety at work, professional obligations towards customers or nature and characteristics of products, damages from external events, failure of IT systems and execution, delivery and management of processes. The outsourced activities also contribute to increasing the exposure to operational risk.

At regulatory level, as from 2025, the Group measures the capital requirement on operational risk according to the standardised method envisaged by the prudential supervisory provisions ("Basel III").

At management level, the Group has strengthened the organisational and management structure, the relative controls and the reporting methods, adopting an internal system for collecting operational events and implementing a dedicated database. In addition to operational losses, reports also cover operational events with no economic impact.

Based on the scope of definition of operational risk, which also includes exposure to legal risk, and in order to minimise exposure in terms of impact and frequency, the Parent Bank has strengthened its operational risk management oversight through the implementation and monitoring of the Key Risk Indicators (KRIs) dashboard and the performance of Risk Self Assessment (RSA) and, finally, the provision of an online training course.

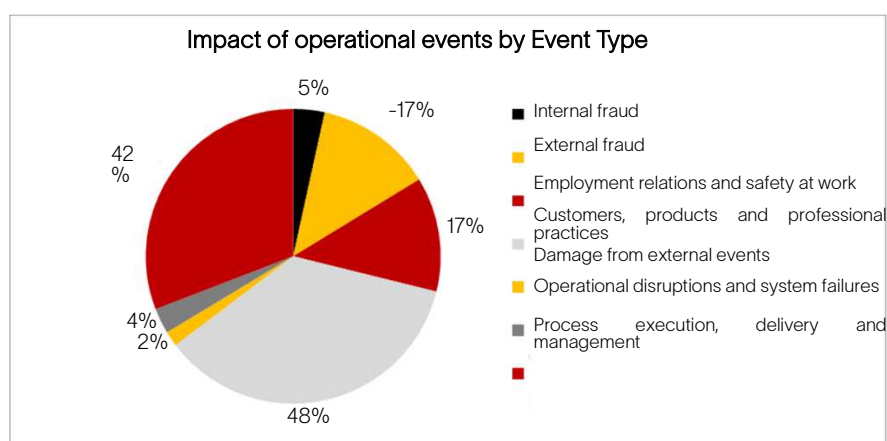
The KRIs are indicators used by the Group to identify in advance the riskiness of typical banking activities. Within the operational risk framework, they represent the forward-looking component of management, as they anticipate potential increases in exposure to operational risk that could threaten the operational continuity of day-to-day activities and existing projects.

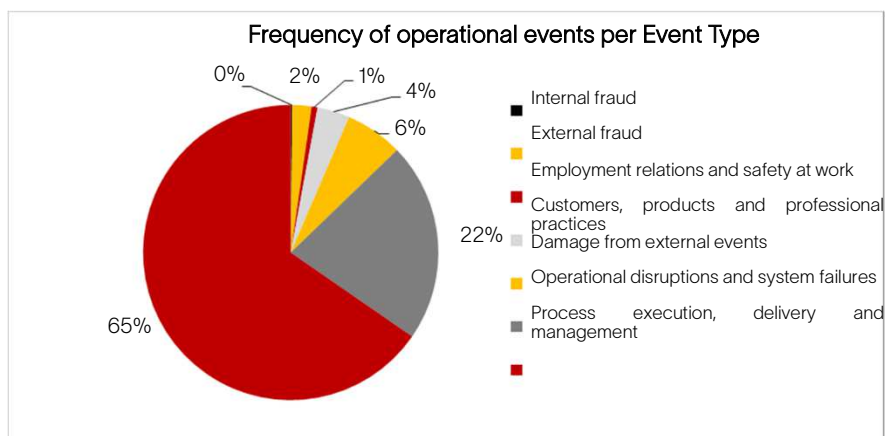
The Risk Self Assessment (RSA), on the other hand, provides Group Management with a tool capable of expressing a qualitative assessment of the process risks identified at Group level. Therefore, it allows to identify, classify and measure the identified risks to which the Group is potentially exposed.

QUANTITATIVE INFORMATION -GROUP

The following graphs show the distribution by frequency and economic impact of the operational events that did not necessarily generate a loss, recorded in 2025 and broken down into the seven regulatory risk categories.

Event type	2025	
	Frequency	Impact
ET 1 Internal fraud	1	EUR 40,446
ET 2 External fraud	13	EUR -151,156
ET 3 Employment relations and occupational safety	4	EUR 148,197
ET 4 Customers, products and professional practices	22	EUR 421,962
ET 5 Damage from external events	39	EUR 19,549
ET 6 Operational disruptions and system failures	135	EUR 32,854
ET 7 Process Execution, Delivery and Management	404	EUR 363,216
Total	618	EUR 875,068





The total impact of the losses recognised in 2025 is mitigated by the sum of recoveries recorded during the year and referring to events in 2024. The breakdown by Event Type shows that the risk classes most impacted in terms of total amount are: "Customers, products and professional practices" and "Execution, delivery and management of processes".

In terms of frequency, on the other hand, the most impacted risk classes are: "Execution, delivery and management of processes" and "Operational disruptions and system failures".

PUBLIC DISCLOSURE

As provided for in Bank of Italy Circular No. 285 "Supervisory provisions for banks", it should be noted that the information pertaining to the "Public disclosure" and the "Country-by-country public disclosure" is published on the Parent Bank's website www.caribz.it by the deadline set forth by the law.

Part F - Information on Consolidated shareholders' Equity

Section 1 - Consolidated shareholders' equity

A. Qualitative information

The notion of Shareholders' Equity is used in reference to the share capital and the share premium, net of the reserves for treasury shares repurchased, to the profit and other reserves, including those from valuation, and includes the net profit/loss for the year.

The Group has always paid attention to the management of own capital, through the set of policies and choices necessary so that, through the optimal combination of different capitalisation instruments, the size of the capital is defined so as to ensure that the capital requirements of the Group comply with the limits imposed by regulations and are consistent with the assumed risk profile.

B. Quantitative information

B.1 Consolidated shareholders' equity: breakdown by type of business

Shareholders' Equity items	Prudential consolidation	Insurance companies	Other companies	Consolidation eliminations and adjustments	Total
1. Capital	486,191	-	4,626	(4,626)	486,191
2. Share premiums	172,590	-	1,556	(1,556)	172,590
3. Reserves	481,188	-	1,403	(1,403)	481,188
3.5. (Interim dividends)	(6,033)	-	-	-	(6,033)
4. Equity instruments	44,700	-	-	-	44,700
5. (Treasury shares)	(3,701)	-	-	-	(3,701)
6. Valuation reserves:	22,657	-	-	-	22,657
- Equity securities designated at fair value through other comprehensive income	(341)	-	-	-	(341)
- Hedging of equity securities designated at fair value through other comprehensive income	-	-	-	-	-
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	2,693	-	-	-	2,693
- Property, plant and equipment	56,359	-	-	-	56,359
- Intangible assets	-	-	-	-	-
- Foreign investment hedges	-	-	-	-	-
- Cash flow hedges	-	-	-	-	-
- Hedging instruments [non-designated elements]	-	-	-	-	-
- Exchange rate differences	-	-	-	-	-
- Non-current assets and groups of assets held for sale	-	-	-	-	-
- Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness)	-	-	-	-	-
- Actuarial gains (losses) on defined benefit plans	(38,183)	-	-	-	(38,183)
- Portions of valuation reserves of equity-accounted investments	-	-	-	-	-
- Revenues or costs of a financial nature relating to insurance contracts issued	-	-	-	-	-
- Revenues or costs of a financial nature relating to transfers under reinsurance	-	-	-	-	-
- Special revaluation laws	2,128	-	-	-	2,128
7. Profit (Loss) for the year (+/-) attributable to the group and minority interests	87,503	-	252	(252)	87,503
Total	1,285,093	-	7,837	(7,837)	1,285,093

B.2 Valuation reserves of financial assets measured at fair value through other comprehensive income: breakdown

Assets/values	Prudential consolidation		Insurance companies		Other companies		Consolidation eliminations and adjustments		Total	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	2,794	(101)	-	-	-	-	-	-	2,794	(101)
2. Equity securities	1,666	(2,007)	-	-	-	-	-	-	1,666	(2,007)
3. Loans	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	4,460	(2,108)	-	-	-	-	-	-	4,460	(2,108)
Total 31/12/2024	3,939	(1,857)	-	-	-	-	-	-	3,939	(1,857)

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: annual changes

	Debt securities	Equity securities	Loans
1. Opening balance	2,246	(163)	-
2. Positive changes	822	157	-
2.1 Fair value increases	769	157	-
2.2 Value adjustments for credit risk	53	X	-
2.3 Reversal to the income statement of negative realised reserves	-	X	-
2.4 Transfers to other components of shareholders' equity (equity securities)	-	-	-
2.5 Other changes	-	-	-
3. Negative changes	(375)	(334)	-
3.1 Fair value reductions	(166)	(334)	-
3.2 Write-backs for credit risk	(49)	-	-
3.3 Reversal to the income statement from positive reserves: realised	(59)	X	-
3.4 Transfers to other components of shareholders' equity (equity securities)	-	-	-
3.5 Other changes	(101)	-	-
4. Closing balance	2,693	(341)	-

B.4 Valuation reserves relating to defined benefit plans: annual changes

	Annual changes
1. Opening balance	(39,026)
2. Positive changes	2,181
2.1 Actuarial gains relating to defined benefit plans	-
2.2 Other changes	2,181
2.3 Business combinations	-
3. Negative changes	(1,337)
3.1 Actuarial losses relating to defined benefit plans	(366)
3.2 Other changes	(971)
3.3 Business combinations	-
D. Closing balance	(38,183)

The amounts under "Other changes", as increases and decreases, refer respectively to deferred taxes calculated on the allocation to the reserve and to the actual return of investments for positive changes, and to the interest cost of the underlying management for negative changes.

The actuarial gains or losses referring to the defined benefit plan are shown in point 3.1 of the table.

For further details on the discounting assumptions applied, please refer to Section 10 of Liabilities.

Section 2 - Own funds and bank supervisory ratios

2.1 Scope of application of the legislation

On 1 January 2014, the new harmonised regulations for banks and investment undertakings contained in Regulation (EU) no. 575 (CRR - Capital Requirements Regulation) of 26.06.2013 and in Directive (EU) no. 36 (CRD IV - Capital Requirements Directive) of 26.06.2013 which transpose in the European Union the standards defined by the Basel Committee for banking supervision (known as Basel 3) entered into force.

As part of a complex process of reviewing the supervisory regulations of banks, the Bank of Italy issued Circular no. 285 "Supervisory provisions for banks" of 17 December 2013, which almost entirely replaces Circular no. 263/2006, and with which:

- the national options set out in the CRR were exercised,
- the secondary technical provisions of CRD IV were transposed.

On the same date, the Bank of Italy also issued Circular no. 286 "Instructions for the compilation of prudential reports for banks and real estate brokerage companies" which replaces Circular no. 155/1991 and defines the reporting formats:

- of "harmonised" prudential supervisory reports in compliance with the relevant EBA technical standards: own funds, credit and counterparty risk, market risk, operational risk, large exposures, recognition of mortgage losses, overall capital position, liquidity monitoring and financial leverage;
- of "non-harmonised" prudential supervisory reports: related parties.

On 7 October 2016, the 18th update of the "Supervisory provisions for banks" pursuant to Circular no. 285 of 17 December 2013 was published on the official website of the Bank of Italy itself.

The above-mentioned update concerned the amendment of the capital conservation buffer (CCB) requirement set forth in Part One, Title II, Chapter I, Section II of the Circular in question in order to transpose the provisions contained in the EU Directive no. 36/2013 (CRD IV) as well as to reduce the divergences between national regulations, in line with the action initiated by the Single Supervisory Mechanism (SSM) to minimize the differences in the prudential regulations applicable to banks.

This regulatory measure requires banks, at both individual and consolidated level, to apply a minimum capital buffer ratio of:

- 1.25% from 1 January 2017 to 31 December 2017;
- 1.875% from 1 January 2018 to 31 December 2018;
- 2.5% as from 1 January 2019.

This update entered into force on 1 January 2017.

The minimum capital ratios to be complied with for 2024, pursuant to Article 92 CRR, are therefore the following:

- Common Equity Tier 1 capital ratio (CET1 ratio) of 4.5% + 2.5% of the Capital Conservation Buffer (CCB)
- Tier 1 capital ratio of 6.0% + 2.5% of CCB
- Total capital ratio of 8% + 2.5% of CCB.

As a result of the entry into force of IFRS 9, a revision of the prudential rules (CRD/CRR) for the calculation of capital absorption was also envisaged. In this regard, Regulation (EU) 2017/2395 published on 27 December 2017 envisages, as an option, the possibility for financial institutions to adopt a transitional regime where they can reinstate to CET1 the adjustments resulting from the adoption of the impairment model of the new standard, with a "phase-in" mechanism over a period of 5 years starting from 2018; the Bank has adopted the transitional regime (static approach) to measure the impacts of the new standard on regulatory capital. The option for the transitional regime sets forth that the higher allocations deriving from the first application of the standard, net of the tax effect, are excluded from the calculation of prudential requirements, according to a decreasing weighting factor (95% in 2018, 85% in 2019, 70% in 2020, 50% in 2021 and 25% in 2022). It should be noted that in the year 2023 the transitional period referred to above expired.

It should also be noted that the Cassa di Risparmio di Bolzano Group, on 10 December 2020, forwarded a specific request to the Bank of Italy aimed at obtaining authorisation for the full application of the transitional provisions on IFRS 9 provided for in Article 473-bis of Regulation (EU) 575/2013 (CRR), as amended by Regulation (EU) 873/2020 of 24 June 2020. Specifically, the authorisation concerns the application of the transitional regime on expected credit losses calculated in accordance with IFRS 9.

By means of a provision of 23 December 2020, the Bank of Italy authorised the Cassa di Risparmio di Bolzano Group to fully apply the above provisions on a separate and consolidated basis.

With reference to 31 December 2025, no transitional regimes are applied anymore.

On 29 January 2025, the Cassa di Risparmio di Bolzano Group communicated to have received from the Bank of Italy, at the conclusion of the annual Supervisory Review and Evaluation Process (SREP) conducted during 2024, the notification of the decision on the prudential requirements to be met on a consolidated basis.

With letter of 19.11.2024, the Supervisory Authority had announced the initiation of the ex-officio procedure relating to the imposition of capital requirements in addition to the minimum capital ratios envisaged by the regulations in force in relation to risk exposure.

The communication received on 29.01.2025 confirmed the quantitative requirements, the qualitative requirements and the recommendations formulated by the Supervisory Authority in the letter of 19 November 2024.

In particular, the Cassa di Risparmio di Bolzano Group will be required to continuously comply with the following capital requirements at consolidated level, without prejudice to compliance with the minimum capital requirement set forth in Article 92 of Regulation (EU) no. 575/2013:

- Common Equity Tier 1 capital ratio (CET 1 ratio) of **7.70%**, consisting of a binding measure of 5.20% (of which 4.50% against the minimum regulatory requirements and 0.70% against the additional requirements determined as a result of the SREP) and for the remainder of the capital conservation buffer;
- Tier 1 capital ratio (Tier 1 ratio) of **9.50%**, consisting of a binding measure of 7.00% (of which 6.00% against minimum regulatory requirements and 1.00% against the additional requirements determined as a result of the SREP) and for the remainder of the capital conservation buffer;
- Total capital ratio of **11.80%**, consisting of a binding measure of 9.30% (of which 8.00% against the minimum regulatory requirements and 1.30% against the additional requirements determined as a result of the SREP) and for the remainder of the capital conservation buffer.

Sparkasse is also required to comply with the systemic risk buffer requirement; this buffer, set at 1% of risk-weighted exposures to credit and counterparty risk towards Italian residents, is to be built up gradually. As outlined in the press release issued by the Bank of Italy, the requirement entails establishing a reserve equal to 0.5% of relevant exposures by 31 December 2024, with the remaining 0.5% to be constituted by 30 June 2025.

It should be noted that on 24 June 2025, the Bank of Italy notified the Parent Bank of the removal of the conditions precedent to the effectiveness of the measures of 24 May 2023 authorising the use of the internal credit risk measurement system "A-IRB". Consequently, with effect from the figures relating to 30 June 2025, the Parent Bank is authorised to measure credit risk using a consortium AIRB model.

A. Qualitative information

1. Common Equity Tier 1 capital - CET 1

Common Equity Tier 1 capital is composed of the following positive and negative items:

- a. Capital
- b. share premiums
- c. profit reserves and reserves under special revaluation laws
- d. valuation reserves in the statement of comprehensive income (OCI)
- e. loss for the year
- f. portions of profit for the year allocated to reserves
- g. any "treasury shares"
- h. intangible assets and goodwill
- i. deferred tax assets (DTA) to carry forward for tax losses

net of prudential filters and regulatory deductions.

2. Additional Tier 1 capital (AT1)

The AT1 category generally includes equity instruments other than common ordinary shares that meet the regulatory requirements for inclusion of Own funds in this tier of capital.

Additional Tier 1 capital includes the following "perpetual" convertible subordinated liabilities, issued by the Bank at the time of the capital increase completed in December 2015:

ISIN	Description	Interest rate	Date of issue	Expiry date	Early repayment from	Nominal amount in euro

IT0005136764	CrBz Perpetual convertible	5.50% (in the first five years) 4.674% (in the second five years)* 7.70% (in the third five years)**	21/12/2015	perpetual	21/12/2020	44,700,000

* on 21 December 2020, the interest rate was recalculated as required by the Issuance Regulation for the next 5 years on the basis of the 5-year Eur mid-swap rate increased by the initial margin of 513 basis points.

** on 21 December 2025, the interest rate was recalculated in accordance with the matters envisaged in the Issuance Regulation for the next 5 years on the basis of the 5-year Eur mid-swap rate increased by the initial margin of 513 basis points.

It should be noted that on 28 April 2015, the Company's extraordinary general meeting resolved, by means of an appropriate amendment to the Articles of Association, to grant the Board of Directors the power to issue bonds convertible into ordinary shares of the Company. On 8 September 2015, as part of the paid-up capital increase, the Board of Directors also resolved to issue Additional Tier 1 convertible subordinated bonds, establishing a conversion ratio of 8,000 ordinary shares for each AT1 convertible bond with a par value of EUR 100,000. On 21 December 2015, a total of EUR 45,200,000 (nominal value) of these bonds was subscribed. In May and June 2025 respectively, two of the subscribers requested the conversion of the bonds held into shares, for a total of 40,000 new shares in exchange for bonds with a nominal value of EUR 500 thousand. This option was granted to bondholders until 21 June 2025. At the board meeting on 24 June 2025, it was therefore resolved that, as a result of the aforementioned conversion requests, the company shall issue a total of 40,000 ordinary shares, setting the implicit book value for the issue of each share at no less than the current value on the date of the resolution, namely EUR 7.84; the remaining portion of the unit value of the share, namely EUR 4.66, shall be treated as share premium. In total, the amount deriving from the conversion of EUR 500 thousand bonds shall be allocated as follows: EUR 313,600 to share capital and EUR 186,400 to the share premium. As a result of the conversions set out above and the determination of the amount of the capital increase to service those conversions, the Company's share capital amounts to EUR 469,644,100.10 and is divided into 59,980,038 ordinary shares lacking par value.

The legal and accounting effectiveness of the conversion has been established as 14 July 2025.

3. Tier 2 capital (T2)

Tier 2 capital consists of the Lower Tier II subordinated liabilities issued on 3 October 2022 for a nominal amount of EUR 37 million.

The following table summarises the main characteristics of the securities in issue:

ISIN	Nom. amount in euro	Carrying amount	Date of issue	Expiry date	Interest rate	Contribution to Own Funds
IT0005509960	37,000,000	37,572,973	03/10/2022	03/10/2032	Fixed rate at 6.50% until 03.10.2027; for the next 5 years, the 5-year Eur mid-swap rate increased by the initial margin of 399.3 bps.	37,000,000

* on 21 December 2020, the interest rate was recalculated as required by the Issuance Regulation for the next 5 years on the basis of the 5-year Euro mid-swap rate increased by the initial margin of 263 basis points.

It should be noted that Banca di Cividale in turn issued a lower tier II bond loan for a nominal amount of Euro 7.1 million, which was not included in the previous table since its contribution to consolidated own funds is considered equal to zero, i.e. it is designated in full as minority interests for prudential purposes.

B. Quantitative information

BREAKDOWN OF OWN FUNDS		Total 31/12/2025	Total 31.12.2024
A.	Common Equity Tier 1 (CET1) capital before the application of prudential filters of which CET1 instruments subject to transitional provisions	1,159,377	1,125,462
B.	Prudential filters of CET1 (+/-)	(786)	(458)
C.	CET1 gross of the elements to be deducted and the effects of the transitional regime (A +/- B)	1,158,591	1,125,005
D.	Elements to be deducted off CET1	(36,952)	(35,796)
E.	Transitional regime – Impact on CET1 (+/-)		3,935
F.	Total Common Equity Tier 1 (CET1) capital (C - D +/- E)	1,121,640	1,093,144
G.	Additional Tier 1 capital (AT1) gross of the elements to be deducted and the effects of the transitional regime of which AT1 instruments subject to transitional provisions	49,586	50,343
H.	Elements to be deducted off AT1		
I.	Transitional regime – Impact on AT1 (+/-)		
L.	Total Additional Tier1 (AT1) capital (G - H +/- I)	49,586	50,343
M.	Tier 2 capital (T2) gross of the elements to be deducted and the effects of the transitional regime of which T2 instruments subject to transitional provisions	46,771	47,153
N.	IRB entities – excess of value adjustments with respect to expected losses	10,020	
O.	Elements to be deducted off T2		
P.	Transitional regime – Impact on T2 (+/-)		
Q.	Total Tier 2 (T2) capital (M + N - O +/- P)	56,791	47,153
R.	Total Own Funds (F + L + Q)	1,228,017	1,190,640

2.2 Capital adequacy

A. Qualitative information

The Group reviews the aggregates of "Own funds" on a quarterly basis in order to verify their consistency with the assumed risk profile and the adequacy with respect to current and future development plans.

This monitoring is carried out both from a supervisory perspective and for the purposes of determining the free capital, which at the closing date of 31 December 2025 amounted to EUR 688.7 million.

B. Quantitative information

CATEGORIES/VALUES	Weighted amounts/requirements	
	31/12/2025	31.12.2024
A. RISK ASSETS		
A.1 Credit and counterparty risk	4,986,314	6,351,850
1. Standardised approach	3,251,456	6,247,988
2. Methodology based on internal ratings	1,669,996	
2.1 Basis	304,970	
2.2 Advanced	1,365,026	
3. Securitisations	64,506	103,702
4. Exposures to central counterparties in the form of pre-financed contributions to the guarantee fund	356	160
B. REGULATORY CAPITAL REQUIREMENTS		
B.1 Credit and counterparty risk	393,716	499,839
B.2 Credit valuation adjustment risk	4,641	14,274
B.3 Settlement risk		
B.4 Market risk	4,817	4,226
1. Standard methodology	4,817	4,226
2. Internal models		
3. Concentration risk		
B.5 Operational risk	55,604	70,151
B.6 Other calculation elements	81,517	8,309
B.7 Total prudential requirements	540,296	596,799
C. RISK ASSETS AND REGULATORY COEFFICIENTS		
C.1 Risk-weighted assets	6,741,163	7,459,985
C.2 Common Equity Tier 1 capital/Risk-weighted assets (CET1 capital ratio)	16.64%	14.65%
C.3 Total Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio)	17.37%	15.33%
C.4 Total own funds/Risk-weighted assets (Total capital ratio)	18.22%	15.96%

The table shows in detail the items that contribute to the quantification of "Risk-weighted assets" for the purposes of calculating "Solvency ratios" as regulated by the Basel III regulation introduced as from 1 January 2014 and updated following the publication on 31 May 2025 of the final version of the amendment to the CRR Regulation, which is due to come into force on 1 January 2025. For certain more significant and far-reaching measures, transitional regimes have been put in place that will postpone their full implementation until 2033.

In the context of the emergency related to COVID-19, the Regulation (EU) 2020/873 ("Regulation 873"), approved by the European Parliament, on a proposal by the European Commission, is of specific relevance, with the aim of providing a direct intervention tool to support the real economy.

Specifically, the aforementioned measure, which came into force on 27 June 2020 and is still operational, amends:

- Regulation (EU) no. 575/2013 on the capital requirements of banks ("Regulation 575" or "CRR");
- Regulation (EU) no. 2019/876, which amends Regulation 575 substantially by introducing new regulations on prudential supervision for banks ("Regulation 876" or "CRR II").

The "support" adjustment factor of 0.7619 to be used to reduce the risk-weighted value of exposures to SMEs and the counterparty risk capital requirement Credit Value Adjustment (CVA) have been updated, maintaining the value of 0.7619 for exposures up to EUR 2.5 million and increasing it to 0.85 for exposures above EUR 2.5 million.

Part G - Business Combinations

Section 1 - Transactions carried out during the year

1.1 Business combinations

There were no business combination transactions during the financial year 2025.

Section 2 - Transactions carried out after the end of the year

2.1 Business combinations

No business combinations were carried out after the end of the year.

Section 3 - Retrospective adjustments

3.1 Business combinations

With reference to the provisions of IFRS 3 par. 61, 62 and 63, it should be noted that there were no changes in the values recorded in the previous year.

Part H - Related Party Transactions

1. Information on the remuneration of key management personnel

The total remuneration paid during the year to the Directors, the members of the Boards of Statutory Auditors of the Group companies and the members of the Settlement Committee of the company Raetia sgr spa in liquidation amounted to EUR 2,421 thousand (the amount includes the fees paid by way of attendance fees); those paid to executives of the same companies totalled EUR 9,765 thousand, of which EUR 7,325 thousand to key executives.

In accordance with the provisions of IAS 24 §17, the following information is provided on the remuneration of executives, in total and broken down into each of the following categories:

Categories	Amount in thousands of euro
Short-term employee benefits	9,765
Post-employment benefits	
Other long-term benefits	
Benefits due to employees for termination of employment	
Share-based payments	
Total	9,765

2. Information on related party transactions

Related parties were identified as defined by IAS 24.

According to this standard, the "related party" is a person or an entity that is related to the reporting entity according to the following definitions:

- a. a person or a close family member of that person is related to a reporting entity if that person:
 - i. has control or joint control of the reporting entity;
 - ii. has a significant influence on the reporting entity;
 - iii. is one of the key management personnel of the reporting entity or of one of its parent companies;
- b. an entity is related to a reporting entity if any of the following conditions apply:
 - i. the entity and the reporting entity are part of the same group (which means that each Parent Bank, subsidiary and group company is related to the others);
 - ii. an entity is an associate or a joint venture of the other entity (or an associate or a joint venture that is part of a group of which the other entity is part);
 - iii. both entities are joint ventures of the same third party;
 - iv. an entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - v. the entity is represented by a plan for post-employment benefits in favour of the employees of the reporting entity or of an entity related to it. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - vi. the entity is controlled or jointly controlled by a person identified in point a);
 - vii. a person identified in point a) (i) has a significant influence on the entity or is one of the key management personnel of the entity (or of one of its parent companies).

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a consideration has been agreed.

Given the above:

- the key management personnel as per point a) iii. includes members of the Management Bodies, Boards of Statutory Auditors and Top Management of the companies included in the scope of consolidation, and of the parent company, their close relatives and companies controlled or jointly controlled by them;
- among the parties belonging to the Group, according to the definition in point b) i., the Fondazione Cassa di Risparmio di Bolzano is included in its capacity as parent related party, while transactions with subsidiaries are excluded, as they are subject to intra-group elision.

Related party transactions are governed by market conditions.

The table below summarises the total credit, debit and guarantees/commitments entered into at the reporting date with the above-mentioned related parties.

(in thousands of Euro)

Related parties	Assets	Liabilities	Guarantees/Commitments
Parent Bank	-	11,148	-
Subsidiaries, associates	13,365	6,716	-
Other related parties	24,237	105,995	16,945
Total	37,602	123,859	16,945

Please note that the amounts of liabilities shown in this table include lease payables, in accordance with IFRS 16, to the extent of EUR 1,741 thousand due to the parent Fondazione Cassa di Risparmio and EUR 1,648 thousand due to the associate Autosystem società di servizi S.p.A. and EUR 32 thousand toward the associate Acirent.

Part L - Segment Reporting

To represent the "Segment reporting", as required by international accounting standard IFRS 8, the Group has identified and uses the "business segment".

The segmentation model of economic and financial data is comprised of six business segments:

- the Business Unit – Retail;
- the Business Unit – Corporate Banking;
- the Business Unit – Private Banking;
- the Business Unit – Finance/Treasury;
- the Business Unit – Real Estate;
- the Business Unit – General Management/Other.

The "Business Unit – General Management/Other" refers to the central structure and to the lending and funding activities managed by this structure.

A.1 Breakdown by business segment: economic data

Economic data (in millions of euro)

	Retail BU	BU Corporate Banking	Private Banking BU	BU Treasury	BU Real Estate	Gen. Man. Other BU	Consolidation Adjustment Elisions	Total
Net interest income	234.4	72.4	12.8	(103.4)	0.6	62.9	5.9	285.6
Net fee and commission income	105.9	19.8	18.8	(0.0)	(0.0)	(22.7)	(0.1)	121.7
Financial margin	0.0	0.0	0.0	26.2	0.0	(0.8)	(17.4)	8.0
Net interest and other banking income	340.3	92.1	31.5	(77.2)	0.6	39.4	(11.5)	415.3
Net Value Adjustments on Receivables and Financial Transactions	3.6	(4.9)	0.0	0.4	0.0	(7.1)	0.1	(7.9)
Profits/Losses from modification without derecognition	0.0	0.0	0.0	0.0	0.0	(0.7)	0.0	(0.7)
Net income from financial management	344.0	87.2	31.5	(76.8)	0.6	31.5	(11.4)	406.7
Administrative Expenses	(153.9)	(14.3)	(9.8)	(1.9)	(7.3)	(103.5)	12.6	(278.2)
Net allocations to provisions for risks and charges	0.0	0.0	0.0	0.0	0.7	(0.1)	0.2	0.7
Net value adjustments on tangible and intangible assets	(7.7)	(1.0)	(0.3)	(0.1)	(0.2)	(24.0)	4.6	(28.7)
Other operating income/expenses	1.0	0.0	0.0	8.5	19.9	18.8	(23.5)	24.7
Operating costs	(160.6)	(15.3)	(10.1)	6.5	13.0	(108.8)	(6.1)	(281.5)
Gains/Losses from equity investments	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3
Adjustment of goodwill and gain/loss on disposals	0.0	0.0	0.0	0.0	0.2	(0.0)	0.0	0.2
Capital gains on tangible fixed assets at fair value	0.0	0.0	0.0	0.0	2.4	0.0	(1.5)	0.9
Profit from current operations before tax	183.4	71.9	21.4	(70.3)	16.2	(77.3)	(18.8)	126.5

A.2 Breakdown by business segment: balance sheet data

Balance sheet data (in millions of Euro)

	Commercial Banking BU	BU Corporate Banking	Private Banking BU	BU Treasury	Real Estate BU	Gen. Man. Other BU	Consolidation Adjustment Elisions	Total
Loans to customers	6,616	3,009	45	0	9	314	(0)	9,994
Loans to banks	0	0	0	176	23	514	(655)	58
Customer funding, securities issued, financial liabilities	7,031	1,962	895	382	9	2,626	(108)	12,799
Bank funding	0	0	0	911	0	816	566	1,161
Financial assets	0	0	0	3,397	0	53	(66)	3,384
Fixed assets	0	0	0	116	364	0	(21)	459
Equity investments	0	0	0	0	5	475	(469)	11
Total	13,647	4,972	941	4,982	411	4,798	(1,884)	27,866

Part M - Information on Leases

SECTION 1 - LESSEE

Qualitative Information

IFRS 16 "Lease", applicable from 1 January 2019, replaces the previous IAS 17 and the related interpretations impacting the definition of lease and overcoming, for the lessee, the accounting dualism between finance leases and operating leases. With reference to the accounting model to be applied by the lessee, the new standard provides that, for all types of lease, an asset representing the right of use ("right of use") of the leased asset must be recognised, and, at the same time, the payable relating to the lease payments. There was also a change in the method of recognising the income statement items: while under IAS 17 lease payments were posted to the item "Administrative expenses", under IFRS 16 the charges relating to the depreciation of the "right of use" and interest expense on the debt are recognised.

On the other hand, there are no substantial changes, apart from some major requirements for disclosure, in the accounting of leases by lessors, where the distinction between operating leases and finance leases is maintained. It should also be noted that based on the requirements of IFRS 16 and the clarifications of IFRIC ("Cloud Computing Arrangements" document of September 2018), software is excluded from the scope of application of IFRS 16; these are therefore accounted for in accordance with IAS 38 and the related requirements. Starting from 1 January 2019, the effects on the financial statements resulting from the application of IFRS 16 are identifiable for the lessee, with the same final profitability and cash flows, in an increase in assets recorded in the financial statements (leased assets), an increase in liabilities (the payable for leased assets), a reduction in administrative expenses (lease payments) and a simultaneous increase in financial costs (the remuneration of the recognised payable) and amortisation and depreciation (relating to the right of use). With reference to the income statement, considering the entire duration of the contracts, the economic impact does not change in the time horizon of the lease both by applying the previous IAS 17 and by applying the new IFRS 16, but shows a different time breakdown.

Quantitative information

For the amounts at 31 December 2025, please refer to the individual tables of Assets, Liabilities and Income Statement of these Notes, where the impacts of the rights of use acquired through the lease and the related financial payables, and, in the income statement, the impacts on the interest expense and amortisation and depreciation are visible for each item.

SECTION 2 - LESSOR

2. Financial leases

2.1 Classification by time brackets of payments to be received and reconciliation with lease loans recognised under assets

Time brackets	Total 31/12/2025 Payments to be received for leases	Total 31/12/2024 Payments to be received for leases
Up to 1 year	63,320	58,993
Over 1 year up to 2 years	56,839	52,721
Over 2 years up to 3 years	50,398	47,429
Over 3 years up to 4 years	44,606	41,216
Over 4 years up to 5 years	37,259	30,920
Over 5 years	90,425	87,542
Total payments to be received for leases	342,848	318,822
RECONCILIATION WITH LOANS		
Non-accrued financial gains (-)	(44,537)	(40,744)
Non-guaranteed residual value (-)	-	-
Lease financing	298,311	278,078

3. Operating lease

3.1 Classification by time brackets of payments to be received

Time brackets	Total 31/12/2025 Payments to be received for leases	Total 31/12/2024 Payments to be received for leases
Up to 1 year	4,788	4,578
Over 1 year up to 2 years	4,585	4,153
Over 2 years up to 3 years	4,390	3,944
Over 3 years up to 4 years	4,056	3,088
Over 4 years up to 5 years	3,801	2,777
Over 5 years	6,773	5,108
Total	28,392	23,648

This table provides quantitative information on the undiscounted amount of payments to be received for leases, broken down by time brackets.

Annexes to the Notes to the Financial Statements

Annexes to the Notes to the Financial Statements

Annex 1

STATEMENT OF FEES FOR THE YEAR PAID BY THE GROUP FOR THE SERVICES PROVIDED BY THE INDEPENDENT AUDITORS OR BY THE ENTITIES OF THE COMPANY'S NETWORK

(Article 38, paragraph 1, letter o-septies) of Italian Legislative Decree 127/91 and Article 149-duodecies of the implementing Consob Regulation)

Figures in thousands of Euro

	31/12/2025
Audit services	483
Other certifications	205
Other services	91
Total	779

The considerations are expressed net of VAT and ancillary expenses.

Annex 2

DISCLOSURE PURSUANT TO LAW 124 OF 4 AUGUST 2017

Paragraph 125 of Law 124 of 4 August 2017 introduced, starting from the 2018 financial year, the obligation for undertakings that receive grants, contributions, paid assignments and in any case economic benefits of any kind from public administrations and the entities referred to in the first sentence of the same paragraph, to publish these amounts in the notes to the financial statements and in the notes to any consolidated financial statements.

Paragraph 126 of Law 124/2017 of 4 August 2017 extended the publication obligations pursuant to Article 26 of Legislative Decree no. 3334 of 14 March 2013, also to entities and companies controlled *de jure* or *de facto*, directly or indirectly, by the State administrations, through publication in their annual accounting documents, in the notes to the financial statements. Failure to comply with this obligation entails a penalty equal to the amounts paid.

In order to avoid the accumulation of irrelevant information, the obligation of publication pursuant to paragraphs 125 and 126 does not apply if the amount of grants, contributions, paid assignments and in any case the economic benefits of any kind received by the beneficiary is less than Euro 10,000 in the relevant period.

It should be noted that the Cassa di Risparmio di Bolzano Group performs, mainly on behalf of certain local public bodies, paid services subject to invoicing and accounting reporting that are not considered to be under the obligation of publication set forth in the Law 124/2017 and therefore are not included in the summary table below.

Name of the recipient	Tax Code of the recipient	Name of the provider	Amount collected (in thousands of Euro)	Collection date	Reason
Cassa di Risparmio di Bolzano S.p.A.	00152980215	Fondir	22	07/04/2025	Prot. 0001728_A/2024° Course Title°Being Leader of Change
Cassa di Risparmio di Bolzano S.p.A.	00152980215	Fondir	28	15/12/2025	Prot. 0000022_A/2025° Course Title°Being Leader of Change 2025 - 1 part

The Group was also the subject of State aid and de-minimis aid by Public Administrations, contained in the National Register of State Aids, to which Register reference is made for details.

Independent Auditors' Report on the Consolidated Financial Statements

Independent Auditors' Report on the Consolidated Financial Statements

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of
Cassa di Risparmio di Bolzano S.p.A.**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Cassa di Risparmio di Bolzano S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at December 31, 2025, the consolidated income statement, the statement of consolidated comprehensive income, the statement of changes in consolidated shareholders' equity, the consolidated cash flow statement for the year then ended, and the notes to the consolidated financial statement, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 43 of Italian Legislative Decree no. 136/15.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Cassa di Risparmio di Bolzano S.p.A. (the "Bank") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Classification and valuation of loans to customers for financing measured at amortized cost

Description of the key audit matter

As highlighted in Board of Directors' Report on Group Operations - "The group's position" and in the notes to the consolidated financial statement Part B – Information on the Consolidated balance sheet as at December 31, 2025, the loans to customers for financing measured at amortized cost having a gross carrying amount of 9,982.5 million Euro (of which 351.6 million Euro of non-performing loans), reduced by adjustment provisions of Euro 217.6 million (of which 165.2 million Euro of non-performing loans) resulting in a net amount of Euro 9,764.9 million (of which 186.3 million Euro of non-performing loans).

The Board of Directors' Report on Group Operations shows that the coverage ratio of the aforementioned loans to customers for financing measured at amortized cost as of December 31, 2025 is equal 2.18%. More specifically, in accordance with the allocation required by IFRS 9 "Financial Instruments", the coverage ratio of performing exposures, classified in the "First Stage" and "Second Stage", is equal to 0.54%, while the coverage ratio of non-performing exposures, classified in the "Third Stage", is 47.0%.

The Notes to the Consolidated Financial Statement "Part A – Accounting Policies" and "Part E – Information on risks and related hedging policies" described:

- the processes and the classification of credit exposures adopted by the Group in compliance with the current provisions of the Supervisory Authorities and in accordance with the applicable accounting standards;
- the measurement criteria of loans to customers for financing measured at amortized cost as well as the estimate methods of expected losses and for determining the consequent loss provisions based on the allocation of credit exposure among three reference stages.

As part of the management policies for loans to customers, the Group has adopted rules and processes for monitoring positions which have involved, among other things, an articulated activity of classification of the same into homogeneous risk categories; this activity is also aimed at identifying positions which, after disbursement, show evidence of possible impairment.

In addition, the Group has used processes and methods of valuation characterized by elements of subjectivity and processes of estimating certain variables, such as, mainly, the expected cash flows, the expected recovery times and the presumed realizable value of the guarantees.

The classification and valuation processes, in the year ended 31 December 2025, were still particularly complex in consideration of the current macroeconomic scenario.

In consideration of the significance of the amount of loans to customers for financing measured at amortized cost recorded in the financial statements, the complexity of the processes of classification, the monitoring of credit quality and the estimation of expected losses adopted by the Group, also to take account of the current macroeconomic scenarios, and the relevance of the subjectivity components inherent in these processes, we consider the classification and valuation of loans to customers for financing measured at amortized cost a key audit matter of the consolidated financial statement of the Group as at December 31, 2025.

Audit procedures performed

The main procedures performed, also supported by specialists of the Deloitte network, were as follow:

- analysis of the lending process with particular reference to the recognition and understanding of the organisational and procedural provisions set up by the Group to ensure the monitoring of credit quality and the correct classification and valuation in accordance with applicable accounting standards and sector legislation;
- check the implementation of business procedures and processes, and checking the operating effectiveness of the key controls relating to the classification and valuation processes of loans to customers for financing measured at amortized cost;
- check, on a sample basis, the classification and measurement of non-performing loans to customers for financing measured at amortized cost in accordance with regulatory framework and the Group's internal policies;
- check, on a sample basis, the classification of performing loans to customers for financing measured at amortized cost in accordance with regulatory framework and the Group's internal policies;

- analysis and understanding of the main valuation models adopted by the Group for the determination of the loan loss provisions, and the analysis of the adjustments necessary in order to reflect the uncertainties deriving from the current market context, as well as check of the reasonableness of the parameters subject to estimation;
- analytical procedures and trend analysis, as well as comparison with sector data, of loans to customers for financing measured at amortized cost and of related loan loss provisions;
- check the completeness and compliance of the disclosures provided in the consolidated financial statements in accordance with the applicable accounting standards and the regulatory framework.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 43 of Italian Legislative Decree no. 136/15, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the parent company Cassa di Risparmio di Bolzano S.p.A. or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or 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 period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Cassa di Risparmio di Bolzano S.p.A. has appointed us on April 10, 2018 as auditors of the Bank for the years from December 31, 2019 to December 31, 2027.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Bank in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10**

The Directors of Cassa di Risparmio di Bolzano S.p.A. are responsible for the preparation of the report on operations as at December 31, 2025, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;
- express an opinion on compliance with the law of the report on operations, excluding the section related to the consolidated corporate sustainability reporting;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of Cassa di Risparmio di Bolzano Group as at December 31, 2025.

In addition, in our opinion, the report on operations, excluding the section related to the consolidated corporate sustainability reporting, is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

Our opinion on the compliance with the law does not extend to the section related to the consolidated corporate sustainability reporting. The conclusions on the compliance of that section with the law governing criteria of preparation and with the disclosure requirements outlined in art. 8 of the EU Regulation 2020/852 are expressed by us in the assurance report pursuant to art. 14-bis of Legislative Decree 39/10.

DELOITTE & TOUCHE S.p.A.

Signed by
Enrico Gazzaniga
Partner

Milan, Italy
April 3, 2026

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.